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NOTICE TO READERS: * indicates material not disseminated in electronic form.

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Carcani Continues Official Visit to Turkey

Agreements Signed

AU2706111690 Tirana ATA in English 0833 GMT 27 Jun 90

[Text] Tirana, June 26 (ATA)—Two major agreements on cooperation in the fields of industry and technique, a consular one between the Government of the People's Socialist Republic of Albania and the Republic of Turkey and a protocol on cooperation between the radio-televisions of the two countries were signed at the prime minister's office in Ankara on June 26.

The agreement on cooperation in the field of industry and technique between the Government of the PSR [People's Socialist Republic] of Albania and the Government of the Republic of Turkey was signed for the Albanian side by the chairman of the Council of Ministers Adil Carcani and for the Turkish side by Premier Yildirim Akbulut.

The agreement foresees the further intensification of exchanges and cooperation between the two countries in the field of textile, petrochemical industries, of tourism and in other directions of mutual interest.

According to this agreement contacts will intensify between the respective official and study institutions of the two countries.

Likewise the consular convention between the Government of the PSR of Albania and the Government of the Republic of Turkey was signed on June 26. The convention was signed for the Albanian side by Comrade Adil Carcani and for the Turkish side by Premier Yildirim Akbulut. This convention foresees the intensification of contacts between the peoples of our two countries.

On June 26 too, the protocol on cooperation between the Albanian radiotelevision and the Turkish radiotelevision was signed in Ankara. Its aim is to intensify the links between these two important centers of information and the exchange of the experience and various broadcasts, etc. It was signed by the general director of the Albanian radio-television, Sefedin Cela and the general director of the Turkish radiotelevision, Ajdin Erdem [spelling as received].

On this occasion the two premiers appreciated their great importance and concrete role for the strengthening and consolidation of cooperation and Albanian-Turkish friendly relations.

Speaks to Press in Ankara

AU2806123490 Tirana ATA in English 0807 GMT 28 Jun 90

["A Major Leap Forward in the Albanian-Turkish Relations—Comrade Adil Carcani's Press Conference at the Airport of Ankara"—ATA headline]

[Text] Tirana, June 28 (ATA)—At the airport of Ankara, the chairman of the Council of Ministers of the PSR [People's Socialist Republic] of Albania, Comrade Adil Carcani, gave a press conference for the journalists of Turkish and Albanian various press organs and the radio-television, accompanying him during his official friendly visit to Turkey.

He said among other [things] that "the friendly visit to your beautiful and hospitable country afforded me the opportunity to meet and conduct talks with my esteemed Turkish colleague, Mr. Yildirim Akbulut, the president of Republic of Turkey, Mr. Turgut Ozal, with the chairman of the Grand National Assembly of Turkey, Mr. Kaya Erdem and other senior personalities.

During these talks first of all we treated of the questions of the consolidation of the historic relations between our two peoples and countries in the political, economic, technical, fields, etc. Importance was attached to the consolidation of the traditional links between our peoples to raise them to a higher qualitative step. The relations between Albania and Turkey have been characterised by continuous progress and important is the fact that both parties have the desire and good will to forge them ahead. This is also the goal of visit of our government delegation.

In the course of the negotiations, both parties appreciated the fact that the Albanian-Turkish friendship has made positive steps forward. They expressed the confidence that all ways and all possibilities exists to further promote our relations. Such an opinion was also voiced by President Ozal, Premier Akbulut, and others.

Especially major are the possibilities for the progress of the economic relations, and in this direction too, unexploited reserves and possibilities exist. To this end serve also the three agreements of cooperation in the industrial and technical field, the consular one and that on cooperation between the Albanian radio-television and the Turkish one. This is an important step but the most important thing remains the implementation and materialisation of the economic, technical cooperation etc. between the two countries.

An important factor for the consolidation of the bilateral relations, it was said in the talks, are also the Albanians in Turkey, who live, work in understanding and fraternity with the Turkish people. They have been and are treated as an important factor serving as a bridge of friendship between our two countries.

Responding to the questions of the Turkish and Albanian journalists attending the press conference, the chairman of the Council of Ministers of the PSR of Albania, Comrade Adil Carcani pointed out that alongside the bilateral relations in the above-mentioned fields, special attention was devoted to the questions of the Balkans, the Mediterranean and Europe. Importance was devoted particularly to the process of the Balkan cooperation and understanding, the relations among the states of the region, the intensification of cooperation amongst them, despite some difficulties and obstacles that exist or are artificially created in this direction. The desire of both parties is that peace, understanding, cooperation and security prevail in the Balkans. We will continue the efforts that through dialogue and tolerance solve all problems to the interest of Balkan peoples and countries.

Both parties assessed the steps taken towards Balkan understanding and cooperation and voiced their readiness to contribute to the promotion and successful crowning of the foreign ministers' meeting of the Balkans due to be held in Tirana in October this year.

The Albanian Government, Comrade Adil Carcani said further on, informed the Turkish party that preparations have begun to ensure the successful holding of this important meeting.

In the talks with the Turkish leaders we also treated of problems of the present situation in Europe, their development and perspectives. On this occasion, he stressed the serious commitment and concern of Albania for security and cooperation in Europe. To this engagement testify also the endeavours to be included in the process of the Conference for the Security and Cooperation in Europe and its admission as observer at the Copenhagen meeting. Naturally we need a period of time to get acquainted with the respective documents and in compliance with our foreign policy we will also take concrete steps. Albania, as a component part of Europe, cannot remain out of these processes. In compliance with this policy, we have required to establish diplomatic relations with the European Common Market, the more so when we maintain bilateral diplomatic relations with almost all its member countries. Our request is welcomed with interest and we will continue our efforts in this direction. We are convinced that is not us alone that will profit, but the European Common Market as well has nothing to lose. It too is interested. Albania has been and is for friendship with all the countries, who are for friendship with it. As our leader, Comrade Ramiz Alia stressed at the 10th Plenum, we are for diplomatic relations with all the states who accept Albania as it is, just as it too accepts them as they are.

Here are not also excluded the two superpowers, the United States of America and the Soviet Union. At the end of the official bilateral negotiations, Comrade Adil Carcani said at the press conference held on June 27, we may say that the visit and negotiations with the senior Turkish officials were held in a sincere, constructive and friendly atmosphere. They will contribute to the qualitative uplift of the Albanian-Turkish relations in all the fields.

Leaves Ankara, Visits Istanbul

AU2806123290 Tirana ATA in English 0800 GMT 28 Jun 90

[Text] Tirana, June 28 (ATA)—On June 27, the chairman of the Council of Ministers of the PSR [People's Socialist Republic] of Albania, Comrade Adil Carcani and the government delegation escorting him left Ankara. At Ankara's airport, Comrade Adil Carcani was seen off by the premier of the Republic of Turkey, Yildirim Akbulut, Minister of State Ismet Ozaslan, the foreign minister Ali Bozer, the minister of tourism Ilhan Akuzum, and other Turkish senior political and social personalities.

The Turkish Premier Yildirim Akbulut wished a nice trip to Comrade Adil Carcani and assessed as very successful his official visit to the Republic of Turkey.

On his part, the chairman of the Council of Ministers of the PSR of Albania, Adil Carcani, expressed his thanks for the very cordial reception extended to him and the Albanian government delegation.

In continuation of the official and friendly visit to the Republic of Turkey at the invitation of the premier, Yildirim Akbulut, Comrade Adil Carcani and the Albanian government delegation arrived in Istanbul on June 27; he was accompanied by the minister of state, Ismet Ozaslan, and senior functionaries of the Turkish prime minister's office.

At the Istanbul airport he was welcomed by the vice vali of Istanbul, Erdogan Izgi, and other personalities.

On June 27 too, the chairman of the Council of Ministers of the PSR of Albania, Comrade Adil Carcani and the Albanian senior personalities escorting him visited the trade and export centre of the Middle East in Istanbul, the famous Dolmabahce Palace, and made a trip in the Bosphorus Strait.

During the visits in the economic, historic and cultural centres of Istanbul, Comrade Adil Carcani took interest in the development of Turkey and this city in particular, he appraised the achievements of the Turkish friendly people in various fields of life.

In honour of the chairman of the Council of Ministers of the PSR of Albania and the Albanian government delegation, the minister of state of the Republic of Turkey, Ismet Ozaslan, with his wife, gave a dinner, which passed in a very warm and friendly atmosphere on June 27.

Meets With 'Compatriots'

AU2906101190 Tirana ATA in English 0826 GMT 29 Jun 90

[Text] Tirana, 29 Jun (ATA)—The last day of the official and friendly visit of the chairman of the council of ministers of the PSR of Albania to the Republic of Turkey began with his meeting with a group of Albanian compatriots in this friendly country, who as president

Turgut Ozal put it constitute a numerous community, I avail myself of this meeting with you, brothers to express the satisfaction over the fact that you live, work like brothers with the friendly Turkish people, comrade Adil Carcani said. The good treatment of the Albanians in Turkey is one of the factors that has had its impact on the strengthening of the Turkish-Albanian relations.

We talked over this problem with the senior Turkish state personalities, particularly with the president, Mr. Ozal, who positively evaluated your stand in Turkey as a bridge of friendship among our peoples. We in Albania rejoice over the fact that you are well, work and enjoy a good reputation, not only for yourselves but also for the land of your predecessors, your homeland, Albania. This is one of the reasons I did not want to leave without meeting you, comrade Adil said. The Albanian compatriots voiced their boundless love for Albania and gratitude for this fraternal meeting and talk. We are brothers of the same flesh and the love for the homeland guarantees steel like ties amongst the Albanians, comrade Adil Carcani said. Our compatriots in Turkey said that they follow attentively the developments in Albania live up with them and rejoice over the progress and the new leaps launched in this direction.

They asked comrade Adil Carcani to convey heartfelt greetings and the best wishes to comrade Ramiz Alia and our people. Albania has a brilliant history and bright perspectives, they emphasized, wishing comrade Adil have a nice trip.

Winds Up Visit

AU2906095490 Tirana ATA in English 0819 GMT 29 Jun 90

[Text] Tirana, June 29 ATA—On June 28, Comrade Adil Carcani, chairman of the Council of Ministers of the People's Socialist Republic [PSR] of Albania and the government delegation escorting him, wound up the official and friendly visit they paid to Turkey at the invitation of the Turkish premier, Yildirim Akbulut. At the "Ataturk" Airport of Istanbul he was seen off by Ismet Ozaslan, minister of state, Erdogan Izgi the deputy vali of Istanbul and other senior personalities of Prime Minister's Office, of the Foreign Ministry and other Turkish departments.

Prior to departure, Comrade Adil Carcani, chairman of the Council of Ministers of the PSR of Albania made a statement for the Turkish and Albanian press. He said:

I am leaving Turkey with indelible impressions, carrying with me the sentiments of love and friendship the fraternal Turkish people cherish for the Albanian people. I had the pleasure to meet with many senior Turkish personalities, President Turgut Ozal, with my colleague Yildirim Akbulut, etc; with whom we exchanged views on the further development of relations between our two countries, on the Balkan cooperation and on many questions of the present international situation.

Our talks were friendly and constructive. In our meetings we voiced the common conviction and will that these traditional relations, that have always forged ahead, further develop and strengthen, to the benefit of the two peoples. We signed several agreements which are added to the other agreements reached before, whose realisation by both sides will really contribute to the intensification of the economic, trade, industrial, technical-scientific and cultural cooperation between Albania and Turkey.

Albania wants to live in peace and friendship with all the peoples. It considers the international cooperation as a factor contributing not only to its development but also to the strengthening of peace and security.

In conclusion, thanking you for the warm hospitality, I want to say that my visit to Turkey was very successful.

On June 29 before noon, Comrade Adil Carcani, chairman of the Council of Ministers of the PSR of Albania and the delegation he leads, paid visits to different historic and cultural centers of Istanbul, known of the numerous monuments of ancient and modern Turkish civilization. Then, the delegation left for the "Ataturk" Airport of Istanbul.

Return Home Reported

AU2906103690 Tirana ATA in English 0832 GMT 29 Jun 90

[Text] Tirana, 29 Jun (ATA)—The chairman of the council of ministers of the PSR of Albania, comrade Adil Carcani and the government delegation accompanying him in his official and friendly visit to Turkey, at the invitation of the premier Yildirim Akbulut, returned home on June 28 afternoon.

To welcome him at airport were comrades Rita Marko, Manush Myftiu, Hekuran Isai, the minister of foreign affairs, Reiz Malile, minister, secretary general of the council of ministers, Niko Gjyzari [name as received], the minister of justice Enver Halili, the chairman of the executive committee of the people's council of Tirana district Llambi Gegprifti [name as received] and other political and social personalities. Present was also the charge d'affaires a.i. of the embassy of the Republic of Turkey in Tirana Ali Aydin [name as received].

Kosovo's Qosja Warns of National 'Euphoria'

AU2606142290 Tirana ZERI I RINISE in Albanian 16 Jun 90 p 3

[Report on interview with Kosovo academician Rexhep Qosja by unidentified Pristina ZERI I RINISE reporter; place and date not given: "The Destiny of the Albanians Can No Longer Be Decided Behind the Scenes, as Once, or Without the Albanian Factor, as Hitherto"]

[Excerpt] [passage omitted] Assessing the current situation in Kosovo, the academician Rexhep Qosja said that Serbia is bringing prosperity to the Serbian communes and villages in the province, while in the communes and villages where Albanians make up the majority, more and more Albanians are seeking work abroad. Serbia is slowly colonizing Kosovo, while we say what we want and hold news conferences! Serbia is drawing up and implementing its economic, social, and cultural programs for the Serbs and Montenegrins in Kosovo, while our intellectuals give the people Queen Teuta [Illyrian queen of the third century B.C.], Shota Galica, and Azem Bejta [Kosovar outlaws of the 1920's]!

In my opinion—and as emphasized by the distinguished Kosovar academician in his interview—Albanian young people should take a broom and sweep away the popular scene while there is still time. Those who offer the people echoing mountains and plains and sentimental lies instead of critical experience and economic, social and cultural prospects; those who until yesterday talked and wrote about counterrevolution, and now talk about democracy; those who until yesterday specialized abroad in computers and the piano, and who now want to "defend" the rights of those whose bodily, let alone spiritual wounds have not yet healed; those who present the people with their own unclear dreams instead of the real difficulties; those who speak in front of the people with their brains full of alcohol instead of clear heads. Albanian young people must cleanse the popular scene of the petits bourgeois who hide behind the flattery they serve up to the people and all speculators and demagogues of this kind. Otherwise the Albanian people will once again be deceived and exploited.... We must not for a moment forget that we cannot reach our salvation with euphoria—scattered, with no order or program—rather only with political wisdom, democratic moderation in our behavior, and determination in our legitimate demands. We must not for a moment follow the speculators, who show us broad avenues leading to paradise instead of the real difficulties which can only be overcome with the patience and determination of people of strong character! It is not a primrose path that leads to freedom, but one of long suffering and travail.

Mediocrity, Censorship in Art Discussed

AU2306180190 Tirana ZERI I POPULLIT in Albanian 17 Jun 90 pp 3-4

["Honored artist" Kujtim Cashku article: "Art Can Admit No Compromise With Mediocrity"]

[Text] It has now long been said and admitted in creative discussion that, alongside constructive views in art criticism and the creative process, restricting and self-restricting thinking also exists in one form or another.

Restrictiveness in creativity has two aspects; the first is that created by the "chorus of mediocre artists," and the second is that of the "chorus of the artistic bureaucracy." In quantity, mediocre artists outnumber genuine artists, while in quality, the latter outweigh the former (the mediocre). I think that a correct understanding of the rapport between the minority and the majority in this case calls for a proper analytic understanding. The mediocre, suffering from a sense of inferiority compared with artists of quality, create for the latter an atmosphere of artistic censorship with the works they produce and the attitudes they maintain. They try to compensate for their mediocrity with ideological arrogance, premeditated aggression, or stereotypical conformism.

Censorship in the world is often measured purely by the extent to which a writer or artist is allowed to oppose the system. This is one dimension of censorship. Censorship has existed and still exists throughout the world. Its concept has been changed and remodeled in different times and places. The more art is made a matter of ideology, the further censorship's influence extends. Political censorship is therefore one-dimensional, in that it forgets the artist's social function, which is not a matter of utilitarian laws, but the basic laws of social and aesthetic development. Such an approach does not exclude censorship. It is understandable that no people will be indifferent to the censorship of artistic works (and perhaps political ones) which offend the dignity of other peoples or themselves, the distinctiveness of other peoples and themselves, and the rights of individuals in any society or in their own. We all know from history that a free people is one which does not dominate others, just as a free nation is one that does no violence to other nations, and a free individual is one who defends the freedoms and rights of other individuals.

Seen from this angle, the character of an artist in our era who is sensitive toward democracy is complex, and his concept of censorship is similarly complex. The subject of this article is the censorship wielded by "creative" and "administrative" mediocrity, which to a considerable extent saps the energy of genuine art and artists.

The briefest glance at the history of art teaches us that genuine writers and artists won their freedom under mankind's darkest dictatorships through the power of their own art.

Many of them were forced to write, paint, or build within clerical, imperial, and tyrannical courts, from ancient times down to the present day. It must be said that no small number of them became martyrs. The testament to their sacrifice is an important historical experience which serves as an important lesson for the future. These martyrs unanimously show that it was not they who were afraid of tyranny, but it was the tyrants who were afraid of them. It is well known that the truth rested with the Homers, Dantes, Shakespeares, Balzacs, Tolstoys, and Marquezes, and not the despots, kings, and tyrants, none of whom imagined that the name and work of Budi [Albanian poet, 1566-1622] would survive his mysterious disappearance. When we come to the men of the renaissance [late 19th century Albanian national movement], who wrote abroad, nobody thought that they would bequeath to us that treasury of literature and culture which we today call our National Renaissance. Sami [Sami Frasheri, 1850-1904] was censored when he wrote, inside the imperial court, the book "Albania—What It Was, Is, and Will Be," and said in it: "Freedom is the food of the spirit and the mind. Where there is no freedom, the mind and the spirit dry up like plants without water.... The basest tyranny is the kind which oppresses thought. A man can lose all his freedoms, but if he retains freedom of thought, he is still free."

Censorship has often changed its appearance. At times, it has been institutionalized (one recalls Gogol wandering from one censor's office to another, trying to publish "Dead Souls"). At other times it has manifested itself in the shape of unwritten laws. Mediocrity leads both mediocre "artists" and "administrators" down its own path. The first become mere illustrators, and the second become flatterers of the "state," lording it over artists. They share a common denominator, in their destruction of the artistic climate and distortion of the function of art and the state.

Mediocrities in power know how to flatter writers and artists, and encourage them to create their art and "keep in line;" when artists do not toe the line, they punish them, and their favorite punishments are the psychological ones of irritating the intellectual, showing indifference, procrastinating, and encouraging the intellectual's gradual atrophy and sterility. When we say intellectuals, we mean all spiritual and mental forces, including writers and artists, among whom we must make a firm distinction between the accidental, which has nothing to do with "artistic substance," and the essential, which creates artistic values. Restrictions have existed, and still exist. While they may stifle the accidental, they can only weary and discourage the essential, which is something inextinguishable. A true intellectual confronts many tests in his life. He will either set his seal on the spiritual document of his own people—in other words, feel in his veins the blood of his people, who have chosen him as a writer of history—or he can leave this in total oblivion and silence and pay court to the mediocre bureaucratic mentality and to lies. Comrade Ramiz's remarks drawing attention to the authenticity of documentary films hold good for our other arts also. The truth inspires a sensitive and socially responsible artist, but hiding the truth favors the mediocrities. They prefer the ostrich's tactic of hiding his head in the sand and leaving his body outside. Mediocrity has a tendency to batten onto every kind of extreme leftist totalitarianism and attribute it to our national culture. It pays not the slightest heed to the cultural tragedies of a number of countries, which, on the pretext of egalitarianism, created parasitism, and in the name of anonymity created antihumanism.

Mediocre artists compose "hymns to the myth of equality," and declare war on the artist as "a unit of personality." Their great, dispiriting leitmotif is "Let us treat everybody the same," "We are all the same." Through these tactics, they harm not only artists of quality and creative individuals, but furnish the enemies of art and our national culture with mediocre works and concepts.

It is precisely against this insidious pressure that our magnificent ancient and modern traditions rise up, serving as glittering examples for the future of our national literature, art, and culture.

As we mentioned above, the men of our National Renaissance, even though they were compelled to work under a despotic and obscurantist shadow, bequeathed to us the treasures and gems which are a powerful monument to their historical awareness and a part of our national consciousness. Nor must it be forgotten that the writers and artists of our day were forced to carry such a mission on their shoulders, and in some cases to bear an even heavier burden. These, including distinguished personalities from Kosovo, were the precursors who assembled the components of our national culture and ensured its continuity, and without whom it could have been snuffed out. At the same time, they were forced to testify (as they did) to the times in which they lived, with all its new characteristics. If we were to erase a single one of these distinguished names from our new culture, we would come to see what incalculable damage we would cause.

When I talk about their characteristics, I am bearing in mind the creative vigor of these writers and artists—as seen in the pictures of that great artist Abdurrahim Buza and the works as a whole of Kadare, Agolli, and Poradeci—who did not slack off at all, even when, alongside true artistic values, the proletcult mentality was being proclaimed, or the cult of the hero Lei Feng [Chinese propaganda figure, held up as an embodiment of Communist virtues], the Western-style immortal Superman, and "The Tax Collector's Courtyard," etc., etc.

These phenomena affected the surface features of art, and fortified mediocrity, but did not daunt the true artist, who is able to clearly distinguish between the opportunistic dissemination of pseudovalues and genuine national and world values.

The tendency toward a schematic centralism of ideas among the mediocre is monomania and a tool of pressure to restrict creative freedom.

A further sign of this centralism of ideas is to see all forms of criticism of social phenomena as a calumny against the whole of reality, and all aspersions against a person in power as aspersions against that power itself. What does this mentality lead to?

Such an external and artificial politicization slowly creates in art a cult of the man in power, and separates art from the masses. This improper rapport between the person in society and the person in power, and between the person invested with power and that power itself, also exerts an influence on life. Not rarely it also gives leeway for the incompetent. Coming to see the mechanism of the state as a means of authority, and without possessing ability, they strive to find easy ways of recovering their lost "authority." In art, they then join the "chorus of the artistic bureaucracy" instead of the "chorus of mediocre artists." These mediocrities are then invested with "power" and appoint themselves to be "guardians" of the line against those who "err," namely, the artists. This dangerous prejudice leads them into a mentality which is suspicious of art rather than inspires it. Failing to see the artist as an equal and as their contemporary, but also for the sake of their desk jobs, these power-drunk people often try to transform the mechanisms of our socialist state into mechanisms of their own fiefdoms. These megalomaniacs confuse the great respect a citizen has for his own state as devotion to themselves, which is painfully and tragically grotesque. It is precisely these representatives of mediocrity who judge artistic debate by the number of discussions held, not by what is said at them. What is most important for them is to accumulate as many commissions of approval, ranks, and levels of authority as possible. Comrade Ramiz Alia stressed at the meeting of the Secretariat of the Central Committee on 13 February 1990 that "prejudices, suppression of initiative and thinking, impositions in the name of bureaucracy, and pulling rank lead you down the wrong path." It is conviction that created new thinking and trust. They cannot be imposed. The proper operation of decision-making artistic councils is striking at bureaucratic practices, but it must be said that organizational bodies can be mechanically turned in a democratic direction overnight, but bureaucratic mentalities and practices cannot be expunged so quickly. Our artistic councils themselves must free themselves from the image of supreme and unerring arbiters that sit in judgment on creativity, invisible but omnipotent and omniscient. Thankfully for our culture and art, this mentality has been under attack, and has assumed a dialectical character, recently more than ever before. Our artistic life has never lacked administrators whose work has encouraged artistic life. Drago Siliqi, who inspired Kadare and supported the publication of *"The General of the Dead Army,"* is well known as a distinguished publisher. In saying this, I am not thinking of only one example, but of a whole series of other administrators who have helped and strengthened our national art and culture by dedicating themselves to it. The practice whereby the masses of artists themselves elect leading cadres in art and culture, and the competitions and so forth introduced after the party's recent guidelines, will in the future add to the supply of able administrators. However, it must not be forgotten that prejudices among ourselves as artists play an important role in artistic restriction and self-restriction. With our prejudices, our half-hearted and superficial handling of conflicts, and our outmoded forms of artistic expression, we ourselves can compromise a range of innovations in high-quality art. Artistic restriction as a whole does great harm to the writer's and artist's inner world.

The writer or artist is therefore forced to hide in his own self-defensive, self-restrictive nest when faced with the attacks of mediocre artists and the Salgieri-like artistic bureaucracy. Self-restriction is nothing but a form of self-censorship and the self-destruction of a budding artist. I say this because when an artist starts to deceive himself, it means he expresses what he does not feel, embroiders as the truth what he knows is not true, and, even worse, begins to believe in it himself; it means that he is no longer an artist or writer, but a victim of self-censorship.

Artistic works of this kind say nothing about the present and show nothing of history. The people are generous, and forgive us, but they mete out another punishment over the years. They fail to grant us a place in the pantheon of the people's memory, in which the immortality of an artist and his work is secure. By leaving us to oblivion, the people judge us as worthless. Such an appeal forces us to consider our creative future with responsibility and courage.

It is specifically worrying that only about 20 or 30 of the 230 films produced by the film studio have taken root in the memory of the people. In the future, will we be excused by our euphoria over statistics, our pride in the past, or our simple comparison of like with like, without any reference to the economic and aesthetic damage done? It must be realized that a mediocrity should not be pensioned off because of his age, but because of his mediocrity. There is no point in waiting for his retirement age before giving his place to someone able and young. Such a thing cannot be done on a voluntary basis. More precisely, public opinion has in fact given these people the sack long ago, however hard they try to preserve their positions. There are producers at the film studio who have produced three or four consecutive failures, who still continue to make films. We have to bid farewell to them, or to the people's money. Is not a form of censorship necessary for them, which must be enforced by our decision-making artistic councils?

We said that mediocrity is a form of censorship, but it must not be forgotten that there is censorship for mediocrity also, namely, the taste of the people. It is this taste which leaves the mediocre book in the bookshop, and leaves the projectionist to watch the film by himself, thus creating stockpiles of mediocrity. When the arts administration and creative forces become aware of these stockpiles of mediocrity, they become sensitive to the people's taste and put themselves in its service; they do the opposite when they put themselves in the service of mediocrity, and implant the imaginary taste of a censor in the people's minds. By failing to denounce restrictive and self-restrictive phenomena, we create fresh taboos. As is well known, the price for taboos is paid tomorrow.

The strength to correct and criticize yourself is an expression of creative vitality, civil courage, and the democratization and civilization of yourself and society. The value of culture and art is measured, first of all, by its national contribution, the contribution it renders to world culture and art, and its ability to enter dialogue with and assimilate this culture and art.

MRF's 'Autonomous Tendencies' Lead to Disputes

Government Rejects Registration Charges

AU2806132090 Sofia BTA in English
1245 GMT 28 Jun 90

[Text] Sofia, 28 Jun (BTA)—The charges made against state bodies, parties and political activists in connection with the registration of the Movement for Rights and Freedoms (MRF) through court by which it was enabled to run in the elections are ungrounded, it is said in an announcement the Council of Ministers made public today.

The MRF was registered for participation in the elections with candidates of its own in accordance with the provisions contained in the Political Parties Law and the Election Law regulating the elections for a Grand National Assembly. The fact that an organization or movement has been registered through the court does not give it a status of a political party after the elections are over, it is pointed out in the announcement.

The activity of the MRF can be carried out only by strictly observing the regulations laid down in the Constitution and the laws of the country, according to which no political activity on religious or ethnic basis is allowed in Bulgaria, it is underlined in the announcement made in reply to the numerous questions and publications in the press.

Arnoudov: 'Secessionist' Tendencies

AU2806190490 Sofia BTA in English
1740 GMT 28 Jun 90

[Text] Sofia, 28 Jun (BTA)—At a news conference here today, Mr. Dimitur Arnaudov, the leader of the Fatherland Party of Labour, and representatives of the Nationwide Committee for Defence of National Interests accused the Movement for Rights and Freedoms (MRF) of encouraging secessionist and autonomist tendencies.

Mr. Arnaudov described the MRF as a "party established on an ethnic and religious basis" in contravention of the laws of the land and of the Bulgarian Constitution. He said that representatives of the MRF exert psychological pressure on Bulgarian Muslims to make them adopt Turkish and Arabic names even if they do not want to do so. The leader of the Fatherland Party of Labour accused the Movement for Rights and Freedoms of conducting its election campaign rallies in Turkish in many places around the country, which is unconstitutional and illegal.

Mr. Mincho Minchev, representative of the Nationwide Committee for Defence of National Interests, claimed that the some leaders of the Movement for Rights and Freedoms were involved in the Turkish National Liberation Movement, an underground organisation set up in 1985. Both the programme and the activities of that organisation, which was succeeded by the Movement for Rights and Freedoms, had a markedly nationalistic character, Mr. Minchev claimed. The tactics and the programmes have been revised now but the people are the same, Mr. Minchev said. He blamed Bulgarian politicians for "having compromised with national interests and for being compelled to resort to further compromises now."

The committee condemns the so-called "regenerative process," the campaign of the Muslims' forced renaming by the totalitarian regime, but at the same time insists that an inquiry be held to establish whether some candidates elected to the Grand National Assembly had not been tried on charges of political violence or involvement in acts of terror in the past.

Nationwide Student Strikes Continue; Rally Held

AU2806190190 Sofia BTA in English
1750 GMT 28 Jun 90

["The Pros and Cons of the Students' Strike"—BTA headline]

[Text] Sofia, 28 Jun (BTA)—The sit-in strikes in all higher educational establishments in this city and throughout the country are continuing.

Today lecturers and employees from the Higher Institute of Mechanical and Electrical Engineering (HIMEE) in Sofia organized a rally in support of the students on strike. Prof. Ivan Slavov from Sofia University held a speech. He said that the students are the real factor of change and by that very form of protest (the sit-in strikes) which they have chosen, too. Professor Slavov today is participating in a relay hunger strike of lecturers from Sofia University in front of the National Assembly building.

The BTA correspondent told from Veliko Turnovo that the state of eight of the students on hunger strike there has deteriorated. Doctors insisted that they be accepted in hospital but they refused to go there. The hunger strikes in other higher educational establishments are also continuing.

Students in the HIMEE in the city of Varna also went on hunger strike backing the demands of their colleagues from Sofia. An agreement was reached between many of the strikers and the academic leaderships not to hamper the entrance examinations.

Parties and organizations in the SDS [Union of Democratic Forces], the Alternative Socialist Party, the Social Democratic Party (Non-Marxists), the Bulgarian Christian Radical Party, the Bulgarian National Radical Party, whole research institutes and enterprises declared themselves in support of the strikers.

At the same time, however, many citizens declare themselves against the form of protest chosen by the students. A day after the occupation of Sofia University (June 11) the Students Movement for Democracy was founded. Its representative told a BTA reporter that they are not against the strikers' demands, though they do not back them fully, but are against the sit-in form which they have chosen. They think this only hampers the normal work at the higher schools and infringes the rights of the rest of the students.

The Ministry of Science and Higher Education indicates in a letter to the mass media that the sit-in strike causes concern among the organizations of foreign students in Bulgaria. Due to the educational process termination the foreign graduate students will not be able to graduate within the set time while the other foreign students cannot finish the school year which will cause certain inconveniences.

This is all related to certain material and moral losses for the country too. The ministry assumes that there will be an ebb of candidates who wish to study in Bulgaria, which will lead to a reduction of the currency revenues of the higher educational establishments.

BSP's Lilov on Need for Party, Cadre 'Renewal'

AU2806145190 Sofia OTECHESTVEN FRONT in Bulgarian 27 Jun 90 pp 1, 2

[Mariya Netsova report on interview with Aleksandur Lilov, chairman of the Supreme Party Council of the Bulgarian Socialist Party; place and date not given: "The Elections As Seen by Lilov"]

[Text] Immediately following the elections, together with Jean Guy, director and editor in chief of the Belgian newspaper PEUPLE, I tried to view the "landscape after the battle" through the eyes of leaders of different political colors, statesmen, and independent figures. We talked to Aleksandur Lilov, Dr. Petur Dertliev, and Ginyo Ganev. I, at least, was left with the impression that thought and concern for the homeland are most important for them, while party passions in incompatible colors—red and blue, with all their tinges—must give way to sober and calm analysis, and efforts must be devoted to building a future society.

Despite the fact that the Bulgarian Socialist Party [BSP] won the elections and remained the largest political force in Bulgaria, it is not the only force on the horizon, and does not possess an indivisible monopoly over power. Here is the analysis of BSP Chairman Aleksandur Lilov:

In his opinion, the election results provide a firm foundation both for society's advance and evolution toward democracy and for the renewal of the BSP itself. The process has two sides, for democratization is not possible without real pluralism, while the BSP is one of the oldest and strongest political parties. On the other hand, it is renewing itself radically as a modern left party, and the current success will undoubtedly provide a stimulus to this and will confirm the correctness of the path adopted by the party. The election results may become poisonous fruit only if the BSP halts its process of change and renewal. However, as the BSP leader assured us, "We have no intention of doing this, and will continue along the same path."

Naturally, the question was raised of how to explain the specific Bulgarian phenomenon, whereas in the other East European countries the communist parties were in essence removed from power, the Bulgarian socialists not only stood their ground, but even won the elections.

The BSP leader is convinced that the BSP's success, although achieved with difficulty, is well deserved, and supports this with the following argument:

—The BSP began to change itself in good time and this process, however contradictory and complex it may be, is developing successfully. "The people see that the party is changing, approves the direction and contents of the change, and therefore a large proportion of the people gave the party their vote of confidence."

—The BSP had an opportunity to derive good lessons from the development of the processes in the other East European countries, and thus avoid the mistakes made by the other parties. Many parties were unable to make a realistic analysis of the situation, others failed to react adequately to the changes, while yet others were more concerned with themselves than with the processes underway in society, as a result of which they bled to death, through splits and so on.

—The Bulgarian Socialists set goals for themselves which not only served party purposes, but also coincided with the trends of development in Europe and the world. These goals were formulated in the Manifesto for Democratic Socialism adopted at the Extraordinary Congress, which urged more liberty, more democracy, and more social justice and rights for all Bulgarian citizens, irrespective of their ideological, ethnic, religious, and other differences. "These are neither distant nor abstract goals. Our people accept them as real goals, and knows that our party is strong and is able to promote them and act as a guarantor for their fulfillment."

—Strong arguments in favor of the BSP are provided by the fact that the party has distanced itself from the totalitarian past, is practicing honest criticism and self-criticism openly before the people, and displays a sense of responsibility.

—Finally, the BSP's election victory is explained most of all by its new policy of radical reforms in the political, economic, and ecological fields.

"We have no illusions," stressed Lilov, "and we know that if we fail to complete the process of the party's renewal and to achieve the goals set, we will suffer the same fate as the parties of East Europe. I, for one, hope that this does not happen."

A continuation of this idea is the great concern felt by BSP supporters, members, and sympathizers that the changes carried out so far in the leading structures and personalities are not enough—many leading posts are still held by persons who share a large degree of responsibility for the mistakes committed by the Zhivkov regime. Concern is also felt that the party, in order to adapt itself to the new realities and trends in the world of today and tomorrow, must change its profile, thinking, politics, psychology, and approaches.

According to Lilov, the BSP, a major party with a century-long tradition, is now dominated by reformist forces, which, however, does not mean at all that the reforming of the party is proceeding smoothly (many difficulties are arising from conservatism), the more so because at certain levels this process has not even begun yet. The BSP needs new people, who are not weighed down with the burden of the old thinking and the legacy of the command-and-administer regime. The cadre renewal, the party leader explained, presupposes the appearance of leaders of a new type, who are capable of thinking theoretically and politically and of acting to the standards of the 21st century. This is the great cadre issue of the BSP, on which the party's fate depends. Lilov added that it would be strange to defend a position according to which all the cadres which have worked during the last 35 years are useless or inconvenient for the party. "History knows no such rule, and great politicians do not fall from the sky, but are formed under certain conditions." It is no accident that from the circle of politicians who worked with Zhivkov for many years emerged the forces and personalities who put an end to that process.

Lilov emphasized that the BSP is trying to attract new generations into its leadership, and that his process is already under way—95 percent of the members of the Supreme BSP Council are new people, and this must be extended to all levels in the party. Cadre renewal must become a natural process, also regulated in the party statute, which prescribes a maximum of two terms of office in leading posts. "We want to ensure a normal blood circulation in the party's cadres and the participation of all generations in the leadership, which the party of the Stalinist type abolished. Political, not biological principles must renew the leadership."

Opposition Urged To 'Stop Manipulating' Country

AU2806115090 Sofia DUMA in Bulgarian
27 Jun 90 p 1

[Unattributed editorial]

[Text] The opposition would like to turn the 10 days that followed the first free, honest, and democratic elections in our country into 10 days that would shake the world. With its statements, declarations, rallies, and appeals the opposition continues to create a psychosis according to which the elections have been dishonest, "partly rigged and totally manipulated." The Bulgarian voter has been subjected to the same shock therapy. He has been forced not to believe in himself, to doubt the fact that he himself went to the polling station without being compelled to do so, that nobody interrupted his solitude while making his decision about casting his vote, that he himself selected the ballot he used, and that nobody peeked into his voting envelope. If we must believe DEMOKRATSIYA, then it appears that despised members of the totalitarian system and the nomenklatura had determined for whom the voter would vote long before he cast his vote; that they led the voter by his nose during the two election days; and that he has become a puppet of the Socialists, who forced him to cast the "accursed Red ballot" by force, beating, terror, repressions, cheating, abuse, forgery, stealing ballots, and exchanging the ballot boxes—(expressions used by the opposition newspapers).

Neither the findings of the foreign observers that the elections had really been honest and that they took place under conditions of civic peace and in a calm atmosphere, nor the declarations of foreign governments, including the U.S. Administration, that they accept the election results, have calmed the opposition.

The dissatisfaction with the election results, which did not correspond to the opposition's expectations, is understandable.

However, is it not time for the opposition leaders to overcome their disappointment and stop manipulating the country with their angry moods, which become increasingly dangerous for society.

Obviously, our people have crossed the threshold of democracy. Is it not high time for the opposition to demonstrate a high consciousness of its civic responsibility, and the understanding that civic peace is much more important than the victory or defeat of any party or coalition? This is so because peace is a common and uniform asset, which cannot be divided.

SDS Economic Expert Discusses Foreign Debt

AU2806190590 Sofia BTA in English
1741 GMT 28 Jun 90

[Text] Sofia, 28 Jun (BTA)—Mr. Ivan Kostov, economic expert of the opposition Union of Democratic Forces (SDS) and member of the newly elected Grand National Assembly, said that the three-month suspension of the repayment of Bulgaria's short- and medium-term foreign debts was "the only possible step." "The situation required it," Mr. Kostov said.

He made his statement in connection with the despatch from London, which appeared in today's press and covered the talks held by a Bulgarian financial delegation with an advisory committee representing the interests of Bulgaria's 187 creditor banks.

"A lot of things have to be sorted out in Bulgaria, and it was only natural that the foreign debt problem was postponed for three months," Mr. Kostov said. "What is more important is to see whether Bulgaria will be able to settle its payments in some way."

Mr. Kostov did not say whether this was possible or not but listed a number of circumstances. In the first places, this is the complete depletion of Bulgaria's foreign exchange reserves. "The country already devours [as received] its foreign economic bankruptcy," he said. Another circumstance, the possible admission of Bulgaria to the International Monetary Fund, raises some hopes of a possible restructuring and retreatment of the Bulgarian foreign debt, Mr. Kostov believes. He does not think, however, that this can be achieved earlier than in three months' time. He stressed that he personally believed that a long-term settlement of the debt will only become possible after the local authority elections due to take place in the autumn.

Mr. Kostov said he feared that the Grand National Assembly, due to meet in session on July 10, might turn into a venue of political debate and sidetrack the economic reform issues. "If the executive power which commands a majority (and this is the BSP) [Bulgarian Socialist Party] does not declare clear reformist intentions and does not start implementing the economic reform, I see absolutely no prospect of Bulgaria solving its foreign debt issue," the SDS economic expert said.

"We need assistance from the Western business circles to set up the market structures themselves and to revive business," he said.

Markov Resigns as New Social Democrats Leader

*AU2806144990 Sofia DUMA in Bulgarian
27 Jun 90 p 2*

[Text] Sofia, 26 Jun (BTA)—An address of the National Coordinating Council of the New Social Democratic Party signed by the party's chairman, Petur Markov, states that the party is disbanding itself.

Today we received further word from the New Social Democratic Party, in which representatives of the Coordinating Council, the Central Control-Auditing Commission, and chairmen of the Sofia and provincial sections state, "with a full sense of responsibility," that the statement released contravenes the party's statute. The National Coordinating Council has never made such a decision, nor does it intend to do so, as this can only be done by a national party conference. On 24 June, the party chairman Petur Markov deposited a statement with the Central Control-Auditing Commission and the National Coordinating Council in which he resigned from membership in the New Social Democratic Party, and, accordingly, also from the post of chairman.

The declaration points out that the appeal broadcast by the mass media is "a political and documentary crime." The persons who signed the document will be sued in court.

Environmental Protests in Silistra, Momchilgrad

*AU2806190290 Sofia BTA in English
1736 GMT 28 Jun 90*

[Text] Silistra, 28 Jun (BTA)—The Ecoglasnost Independent Society in Silistra insists that the issue about the transboundary air pollutions be included in the negotiations between Bulgaria and Romania on issues of ecology. Late last night the citizens of Silistra received again a new portion of gasification by the neighbouring city of Calarasi. In spite of the talks held between leaders and experts from the Romanian and Bulgarian towns, the situation still remains unchanged. The necessity is stressed to build a laboratory for tests and analysis by the Ministry of the Environment.

Momchilgrad, June 28 (BTA)—The 24-hour warning ecological strike in the educational and medical establishments, in the production, trade and public catering projects in the town and the neighbouring villages ended today. It was organized by the ecological protection movement of the Momchilgrad Municipality (southern Bulgaria). The protest was addressed against the operation of a perlite workshop, polluting the environment ten-fold above the admissible limits, against the asphalt base and the consequences of the cancerous soot, deposited with no protection equipment. Over 120 ha [hectares] of fertile land have been destroyed in the same region.

Concern over the health and life of the citizens in Ruse, whose air has been regularly polluted by the chemical combine of Giurgiu for nine years now, gathered today at a meeting the leaders of the major political forces and representatives of the city state power.

It was decided to found a united centre for salvation of Ruse.

The declaration of the Union of Democratic Forces [SDS]—Ruse which was circulated round the city today and which calls on the citizens of Ruse to join he sit-in strike on the Danube Bridge was discussed at the meeting. The aim includes the immediate termination of the Giurgiu Combine chemical production until an experts assessment is made by an independent international commission on ecological problems. Whether the strike declared for June 29 will be actual or token will depend on the results from tomorrow's meeting in Sofia of a representative group of the Ruse political forces and Prime Minister Andrey Lukanov. The participants in this meeting will insist for prompt international demands for settlement of the Ruse issue.

Ecological Protection Center Established in Ruse

*AU2906105390 Sofia BTA in English
2103 GMT 28 Jun 90*

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Post-Chernobyl Radiation Levels 'Have Fallen'

AU2806130490 Sofia DUMA in Bulgarian 27 Jun 90 p 1

[Lyubomir Rozenshtayn report: "Chernobyl Radiation Is Disappearing"]

[Text] The quantities of cesium radionuclides (cesium-134 and cesium-137) contained in the bodies of people living in southern Bulgaria and Sofia have fallen in the period since 1987 to the present.

The averaged values of the specific activities show that for practical purposes, Bulgarians are now free of the harmful accumulations caused by the Chernobyl disaster.

This unexpected news was announced for the first time on 26 June at a meeting in the Ministry of the Environment by new First Deputy Minister Docent Valentin Bosevski.

Docent Bosevski was one of the scientists who did everything possible to disclose, and bring to the public's attention, the complete truth about the consequences of the Chernobyl disaster. Under his leadership, specialists of the Military Medical Academy and the Nuclear Physics Department of Sofia University carried out a field research study of the dynamics of the cesium radionuclides in various population sectors.

The regions chosen were those in which people had been subjected to the greatest amount of radiation both because of meteorological conditions and because of the failure to take the necessary preventative measures.

The highest concentration of cesium-134 and cesium-137 in the bodies of the groups studied were reached in April 1987, when in the monitored regions average specific activities ranging from 63.6 to 221 becquerels were measured per kilogram of body weight in women, and even higher values—from 98 to 318 becquerels per kilogram—in men.

In the following year these figures fell sharply, but still remained above the amounts contained in the body of the average European in 1964, which was use as a basis for comparison.

In May and June 1989, however, the contents of cesium radionuclides fell by approximate 100 to 200 times as compared with 1987. In the following months, the amounts were so insignificant that it was difficult to record them even with the sensitive apparatus used by the scientists.

The figures show that within four years the human organism succeeded in freeing itself from the accumulated cesium.

These figures supplement the facts concerning cesium content in the organism collected in extensive research work carried out by the Institute of Nuclear Medicine of the Medical Academy.

The researchers intend to make a professional assessment of the amount of actual radiation Bulgarians were subjected to, which will be used as a basis for recommendations on radiation protection. A special commission has already been set up for this purpose at the initiative of the Ministry of Public Health and Social Welfare.

When asked at the end of the news conference about the reasons why the amounts of cesium contained in the bodies of women are less than that in men, Prof. Tsvetan Bonchev, chief of the Nuclear Physics Department, joked: "Cesium is accumulated in the brain."

Government Policy Statement Sets Up Ministries

LD2806214190 Prague Domestic Service in Czech 1930 GMT 28 Jun 90

[Excerpts] The most important point on the agenda of today's new federal government session was the preparation of its policy statement. [passage omitted]

The following ministries have been abolished: the State Planning Commission; the State Commission for Scientific-Technical and Investment Development; Ministries for Fuels and Power, Metallurgy, Engineering and Electrical Engineering, Agriculture and Food; and the Committees of People's Control and the Federal Price Office.

The newly set up ministries on the federal level are as follows: Ministry for National Economic Strategy [Ministerstvo pro narodohospodarskou strategii]; Ministries for Economy and Control [ministerstva hospodarstvi a kontroly], Office for Economic Competition [Urad pro hospodarskou soutez], and Committee for Living Environment [Vybor pro zivotni prostredi].

The federal government also discussed a draft bill on setting up a committee for matters of land order and security and adopted a draft bill on setting up the Federal Office for the Protection of the Constitution and Democracy [Federalni urad na ochranu ustavy a demokracie].

New Federal Ministries' Responsibilities

LD2806224990 Prague CTK in English 2147 GMT 28 Jun 90

[Text] Prague June 28 (CTK)—The new Czechoslovak Government today adopted several bills providing for abolishing several institutions and ministries and for establishing new bodies the aim of which is to favour the economic reform.

The government proposed to abolish the State Planning Commission, the State Commission for Scientific-Technological Development and investments, the Federal Ministry of Fuels and Power, the Federal Ministry of Metallurgy, Engineering and Electrical Engineering, the Federal Ministry of Agriculture and Food, the Czechoslovak People's Control Committee and the Federal Price Office, and to establish a Federal Ministry for National-Economic Strategy, a Federal Ministry of Economics, a Federal Ministry of Control, a Federal Office for Economic Competition and a Federal Committee for the Environment.

The Federal Ministry for National-Economic Strategy will focus on conceptual problems of long-term prospects and should become an important centre of economic information on development trends in the world.

The Federal Ministry for Economics will fulfil the task of an initiator and coordinator of reform changes and will play a significant role especially during the elaboration of variants of state structural policies.

The Federal Office for Economic Competition is a sort of anti- monopoly and anti-cartel institution, as they are known in the world. Its task will be to watch the development of competition on the market, influence it positively and defend it.

The Federal Ministry of Control will deal with complaints, suggestions and petitions of citizens.

The new concept of organizing central government bodies will not put increased claims on the state budget, on the contrary, it will lead to savings.

According to another bill, a number of branches—engineering, electrical engineering, mining and producing of ores—will be transferred under the competence of the republics.

A bill on defining the competence of federation in the affairs of internal order and security creates prerequisites for removing centralism and competence disputes between the federal and the republics' ministries of the interior. Within the competence of the Federal Ministry of the Interior would thus be protection of the constitutional set-up and security of the state, the struggle against terrorism and drugs, cooperation with the interpol and protection of the state borders.

The government approved a bill on the establishment of a Federal Office for the Protection of the Constitution and Democracy, the task of which will be to acquire and process information important for the protection and security of the state. Its activity cannot be aimed at finding political and religious affiliation of citizens as it was done by the former secret security (STB).

New Government Composition Outlined

LD2806133190 Prague CTK in English 1238 GMT 28 Jun 90

[Text] Prague June 28 (CTK)—Czechoslovak President Vaclav Havel appointed here last night a new federal government. Intensive negotiations about its formation started already on June 12 and according to the president it is entitled to call itself a "national sacrifice government" in view of the tasks its members are facing.

The new government has only 16 members against the 23 in the previous one. The former national understanding government had 16 independent, two Communist, two Socialist Party, two People's Party and one Christian Democratic Movement ministers. With the exception of one member—Deputy Premier Jozef Miklosko who is a representative of the Christian Democratic Movement—all members of the new government are independent. The majority of them are either activists of the civic initiatives—the Civic Forum and the Public Against Violence—or maintain close contacts with them. (These initiatives emerged victorious from the June 8-9 elections by gaining more than 50 per cent of votes).

Ten members of the new government are Czechs and six Slovaks (Czechoslovakia has more than 15 million inhabitants—10 million Czechs and five million Slovaks).

Another significant change in the new government in comparison with the former one is a radical decrease in the number of its deputy premiers. The national understanding government had nine deputy premiers, the current government has only four. It includes eight ministers of the former government, e.g. Jiri Dienstbier, deputy premier and foreign minister, Vaclav Klaus, finance minister, Vladimir Dlouhy, who was deputy premier and now will be economy minister, Miroslav Vacek, defence minister, and Petr Miller, minister of labour and social affairs.

In the new government there is not the function of the minister of metallurgy, engineering and electrical engineering, and of fuel and energy. Officials from the Federal Price Office, the State Commission for Scientific and Technological Development and Investments, and the State Planning Commission, which have been either discontinued or fall now within the powers of other institutions of national governments, are not represented as well.

There is only one woman in the new government—Kvetoslava Korinkova, minister - chairwoman of the People's Control Committee.

The average age of the government members is 52 years.

News Conference on New Government

LD2806203490 Prague Television Service in Czech 1730 GMT 28 Jun 90

[Text] A high-ranking representative of Civic Forum, Petr Kucera, who took part in coalition talks on behalf of this movement in forming the federal government, revealed the following at today's news conference: The activity of Civic Forum is now transferred to the government, where its followers will advocate radical economic reform. The ranks of the federal government will soon expand to include a minister responsible for an anti-monopoly office. There will thus be 17 members in the government. This minister should be from the Christian Democratic Movement.

The role of national governments is strengthening. The division of jurisdiction between them and the federal government will be solved by a competent law, which should be adopted by the end of this year.

Further on Appointments

LD2806211590 Prague CTK in English 2032 GMT 28 Jun 90

[Text] Prague June 28 (CTK)—Three members of the new Czechoslovak federal government, appointed on Wednesday, are representatives of the Christian Democratic Movement, Civic Forum spokesman Petr Kucera told a press conference here today.

He said the two were Deputy Premier Jozef Miklosko and Telecommunications Minister Theodor Petrik, and the third Christan Democrat would be the minister in charge of an anti-monopoly authority which will take over also part of the work of the present Federal Price Office. Kucera, a member of the Civic Forum coordinating centre who represented the movement at talks on the composition of the new government, declined to name him but said his task would be to prevent the majority of economic activities from being monopolized.

Kucera noted with pleasure the fact that the coalition government had been put together within a deadline set by the Civic Forum, great credit for which is due to the participants in the negotiations and President Havel.

Referring to Interior Minister Jans Langos, a newcomer in the government, Kucera said Langos was a leading representative of the Public Against Violence movement and that it was above all his moral profile and qualities of an expert that are appreciated. He said he hoped his cooperation with First Deputy Minister Jan Ruml would be successful, and added that Jiri Muller, a student leader in 1968, would be in charge of the Office for the Protection of the Constitution and Democracy.

In connection with the economic reform, Petr Kucera said the emphasis the Civic Forum put on the appointment of economic ministers is a sign of the direction in which the Civic Forum wants to be active, considering the economy the most important sphere, and that is also why the Civic Forum as the victorious force has the decisive influence in it.

Kucera further said that Pavel Hoffman, also a newcomer, will be in charge of a ministry for strategic planning, while Deputy Premier Jozef Miklosko will be responsible for the human rights sphere. Deputy Premier Vaclav Vales will be responsible for the economic reform. Vladimir Dlouhy, who was deputy premier in the government of national understanding, will be in charge of the newly-founded Ministry of Economics which will take over part of the activities of on federal level of the Ministry of Metallurgy, the Ministry of Fuels and Energy and the Ministry of Agriculture.

Government Statement Expected 3 Jul

LD2906124290 Prague CTK in English 1058 GMT 29 Jun 90

[Text] Prague June 29 (CTK)—The Czechoslovak Federal Assembly duties adjourned today's session of the parliament after a speech of Czechoslovak President Vaclav Havel. Parliament Chairman Alexander Dubcek announced the session would continue on Tuesday, July 3, 1990.

Besides the address of President Havel the deputies should have heard a program statement of the new Federal Government delivered by Czechoslovak Premier Marian Calfa. But the government failed to work out the document. Therefore, it has been decided to adjourn the session until the next week (July 3) when the program statement will be delivered by Premier Marian Calfa.

A debate of the deputies on this document will take place at a session of the Czechoslovak Federal Assembly on July 10. In the meantime, however, the parliament will meet on July 5 to elect Czechoslovakia's new president.

After the adjournment of today's parliamentary session, the Czechoslovak group of the Interparliamentary Union will be set up.

Government Appointment Said Unconstitutional

LD2906090390 Prague CTK in English 0808 GMT 29 Jun 90

[Text] Prague June 29 (CTK)—The appointment of the Czechoslovak Government on June 27 was at variance with the constitutional law according to which the Czechoslovak Government resigns after a constituent meeting of a newly elected Federal Assembly.

Addressing today's session of the Federal Assembly, its Chairman Alexander Dubcek said the House of the People and the House of Nations of the Federal Assembly held their first joint meeting on June 27. The first debate of the new parliament, however, was longer than expected, and after 20.00 GMT its first deputy chairman was not yet elected. Although the constituent meeting of the newly elected Federal Assembly did not yet finish, the federal government resigned at about 18.30 GMT. Shortly afterwards Czechoslovak President Vaclav Havel named a new federal government, which was at variance with the constitutional law on Czechoslovak Federation.

Owing to the fact that a legal doubt had appeared about the right determination of the moment for the federal government's obligatory resignation, laid down in the Constitution, and in order to prevent any doubts concerning the observance of all procedures in line with the Constitution, the newly appointed Czechoslovak Government decided to hand in its resignation to the hands of the Czechoslovak president on June 29, 1990. Early in the morning today President Havel appointed the same Czechoslovak Government which is in harmony with legal regulations.

New Trade Minister, Deputy Premier on Tasks

LD2806191190 Prague CTK in English 1706 GMT 28 Jun 90

[Excerpt] Prague June 28 (CTK)—[passage omitted] New Czechoslovak Foreign Trade Minister Slavomir Stracar told CTK today that Czechoslovak foreign trade should be demonopolized in a rational way; however, the federal government should keep some position in the concept of foreign economic relations.

He added that enterprises wishing to do business must be given the possibilities of the broadest integration into European and world trade.

Asked about the priorities of Czechoslovak commercial contacts he said that it was necessary to create conditions in Czechoslovakia to raise the export capacity of Czechoslovak economy. The second thing is to complete successfully the talks on the exchange of goods and raw materials with the Soviet Union and East European countries for next year and for the subsequent period as these countries pass over to convertible currencies, Slavomir Stracar said.

The need for Czechoslovakia to return to principles of legal order valid before February 1948 and to partly take over experiences from legal orders of modern societies, mainly as regards human rights, was stressed by Czechoslovak Deputy Premier Pavel Rychetsky in an interview for CTK.

He said he had in mind, for instance, changes in the press law and freedoms of the information media.

Asked about the government's future cooperation with the new parliament, Pavel Rychetsky said it would be a mistake to think that the convincing victory of the Civic Forum and the Public Against Violence will ensure the parliament's clear support for the government. The first meetings of the houses have shown that it will be just the contrary as there is no more marked expression of political plurality than the two movements associating forces with different orientations.

Pavel Rychetsky said the position of the government is likely to be considerably difficult, both in the Federal Assembly and in relation to the opposition outside parliament or to the media.

Civic Forum Warns of Lack of Reform in Army

LD2806211690 Prague Television Service in Czech 1730 GMT 28 Jun 90

[Text] The council of the Civic Forum Coordination Center handed over a statement today to the Czechoslovak Press Agency [CTK] which says:

The Civic Forum council notes with apprehension that the Czechoslovak Army is lagging behind our republic's democratization. Apart from partial changes, the command has not carried out any deep structural or personnel changes in the Army, whose internal structure has for decades been built and manned by the Communist Party. The necessary humanitarian improvements are not happening either. That is why we are currently experiencing an exodus by prospective officers who do not see how they can find fulfillment in the Army.

We see the reason for this in the isolation of the Army from society and the lack of public control. That is why we consider it necessary to speedily set up a general inspectorate office as an organ of the Federal Assembly, which will be independent of the Federal Ministry of National Defense and which will carry out inspections in the Army, check shortcomings, and propose solutions.

Ministry Official on Armaments Industry Conversion

AU2706151990 Prague HOSPODARSKE NOVINY in Czech 20 Jun 90 pp 1, 2

[Richard Stregl article: "Which Weapons Should Be Scrapped?"]

[Text] The word "conversion," which was almost unknown before, has already become firmly rooted in our language. Almost everyone knows the problems that enterprises have to face during the transition to civilian production, how many people will have to be retrained, and that the last tank will be produced soon. Much less—in fact almost nothing—is being said about arms production, which has not been reduced and which will probably not be reduced. For more information, we visited Eng. Ladislav Nemec, director of the administration of special technology, at the Ministry of Metallurgy, Engineering, and the Electrotechnical Industry.

Production of the so-called special technology, to which belong infantry arms and ammunition, communications equipment, radio locators, training systems for aviation technology, and some types of artillery technology, still continues. The situation in pertinent enterprises, such as Ceska Zbrojovka, Uhersky Brod, Sellier Bellot, Vlasim, General Engineering Plants Dubnica, Konstrukta, Trencin, Tesla, Pardubice, Aero, Vodochody, etc., is unenviable. Compared to the enterprises which are undergoing conversion and where the people know their situation, the aforementioned enterprises remain in uncertainty. Will their production be reduced, will they stagnate, or will they develop? They do not know. The answer depends mostly on the results of the Vienna talks and on the new Czechoslovak defense doctrine. Nothing has been decided upon yet. The amount—designated by the state—for the purchase of technology and the possibilities for foreign sales will be of no less importance.

The exports of our arms are, or at least were, surrounded by mystery and rumors, but they were undoubtedly profitable. This pertains to exports to the Soviet Union as well as to the Third World. Why could we not export more tanks and armored vehicles for infantry [BVP] and thus improve a little the situation in the enterprises and also in the state coffers? Simply because the demand for arms is declining throughout the world. If the orders for tanks in 1988 represented 100 percent, then this number would be 10 percent for 1991—or, according to some predictions, even far smaller. The interest in BVP's remains approximately the same. This is certainly an unequivocal answer to the opinions on why the CSFR should reduce its income from arms sales due to some moral principles.

Also, the idea that—in the relaxed international climate—we could manage to penetrate into new markets is naive. The technological level of the tanks produced, for example, by West German, French, or U.S. firms is much higher—as far as some parameters are concerned—than that of Soviet T-72's, irrespective of what the basic military soldiers used to be told. And, in view of the expensive production, we cannot cut the price too much.

According to L. Nemec, only some types of special technology have a chance to assert themselves. The system for training military pilots—L39—and the new L39 MS, which comprises an airplane, simulator, and diagnostic equipment have the greatest chances. In the interests of increasing our ability to compete, of increasing the technological level, and of widening the assortment, the federal government recommended, in one of its resolutions, that the enterprises begin to seek production partners abroad—even outside the CEMA countries.

One Czechoslovak weapon which is still sold—and probably will be sold for a long time—on all the continents is Brno's nine millimeter pistol type 75. Because of its reliability, this gun is very popular with all kinds of berets, contras, and counter-contras, who crawl through the jungles all over the world. Being shiny and silverish, inlaid with ivory, or with a butt made of quality wood, this gun is featured in most hand gun catalogues. This proves that quality goods do not need commercials.

Minister Outlines Price Reform Strategy

AU2706170190 Prague RUDE PRAVO in Czech 21 Jun 90 pp 1, 5

[Interview with Minister Ladislav Dvorak, chairman of the Federal Price Office, by Vladimir Cechlovsky; date and place not given: "What Will Prices Look Like?"; first paragraph is RUDE PRAVO introduction]

[Text] The Government of National Consensus has already taken the first remedial steps in the area of prices. What are the next steps on the drawing board—that was our question for Ladislav Dvorak, minister in charge of prices.

[Cechlovsky] Not only government members, but also other experts mostly agreed that the first corrective step in the area of prices must be the elimination of retail price subsidies. So far, however, the only decisions making amends for evident price distortions concerned food prices and fares in mass railroad and bus transport. What will be the further course of action?

[Dvorak] The government has already decided that the negative turnover tax needs to be eliminated with respect to the prices of industrial merchandise and that, where applicable, prices must be raised if the present level of taxation is lower than the level foreseen for next year. Those price increases will be offset by cuts in the prices of products which have so far been subjected to excessive turnover taxes. The impact of the price increases and price reductions on both the population and the state budget will be zero.

[Cechlovsky] When will these price adjustments be put into effect? And when can we expect increases in the prices of solid fuels, electricity, gas, heat, fares in city public transport, water rates, sewerage rates, and the like? After all, subsidies to all these prices and rates amount to billions.

[Dvorak] In view of the reality, all further changes of retail prices will now have to be made in conjunction with Czechoslovakia's transition toward current world prices and toward payments in convertible currencies in trade with the CEMA states, to be introduced as of 1 January 1991. The rise in the import prices of, in particular, energy, fuel, and raw materials will bring about increases in their wholesale prices, and, consequently, the prices of domestic energy, fuel, and raw material resources will have to change as well. Because the already formidable level of subsidies to the retail prices of fuels and energy cannot be increased any further, the growth in wholesale prices will have an impact on the level of retail prices as well.

[Cechlovsky] What impact?

[Dvorak] That will depend primarily on the koruna's rate of exchange against convertible currencies, which the government will approve as the initial rate of exchange and on the further development of the rate of exchange. The general principle holds true that the higher the rate of exchange, the greater impact on prices is to be expected. Should, for instance, the commercial rate of exchange be maintained at the current level of 17 korunas to $1, the wholesale prices of fuel and raw material inputs would increase, according to our calculations, by roughly 111 billion korunas [a year], i.e., 38.4 percent. At a rate of exchange of 20 korunas to $1, wholesale prices would increase by 174 billion korunas, i.e., 60.2 percent. And at a rate of exchange of 24 korunas to $1 and the imposition of a 20 percent import surcharge contemplated by the state bank, the cost of inputs would increase by as much as 327 billion korunas, i.e., 113 percent. The Federal Price Office considers it therefore necessary to at least maintain the exchange rate at the present level and, if possible, to strengthen the koruna.

[Cechlovsky] What do you consider to be the main argument in favor of maintaining the rate of exchange at its present level? The price level, the fear of inflation?

[Dvorak] It follows from the calculations cited above that the exchange rate exerts crucial influence on the further development of prices and that devaluation is the main cause of inflationary price growth. The basic aim of Czechoslovak monetary and, within its framework, exchange rate policy must be to increase the purchasing power of the Czechoslovak koruna as one of the fundamental synthetic indicators of the efficiency and competitiveness of an economy. Hence, devaluation is the opposite of this desirable development. The positive impact of devaluation—that is, support for exports—would in our conditions find its expression only in that it would make exports of raw and processed materials even more advantageous.

[Cechlovsky] The volume of the increase in wholesale prices will be of little use to our readers. Is it possible to express in figures the direct impact on retail prices?

[Dvorak] We have only rough estimates. The calculations are based on the premise that, as of 1991, a uniform level of the turnover tax will be introduced in Czechoslovakia—0 percent for food and agricultural products and 15 percent of the price for industrial products, including fuels. Cigarettes, spirits, and propellant fuels will be an exception as it is foreseen that high consumption taxes will continue to be levied on them.

Under the aforesaid prerequisites and an exchange rate of 17 korunas to $1, retail prices would increase 4 percent. About 13 billion korunas would be projected into price increases. The remainder [of the difference between the old and new prices]—26 billion korunas—would be offset by cuts in the turnover tax levied on products with excessive turnover tax levels. At an exchange rate of 20 korunas to $1, retail prices would increase 16 percent on average. The impact on citizens would represent 55 billion korunas and on the turnover tax 24 billion korunas. At an exchange rate of 24 korunas to $1 and the levying of a 20 percent surcharge [on imports], however, the increase in retail prices would amount to 24 percent. The impact on the population would represent 81 billion korunas and on the turnover tax 21 billion korunas.

[Cechlovsky] Does this mean that food prices, for instance, will be raised yet again?

[Dvorak] If we do not want to return to subsidies of retail food prices again, we must be realistic and expect further price changes.

[Cechlovsky] You mentioned the reform of the turnover tax. The views on the date of the implementation of this reform vary. Which date of introduction do you consider to be optimal?

[Dvorak] In my opinion, the tax system should be clarified and put in place as soon as possible—in view of its close linkage with the price policy. The GDR is switching over to the FRG system of taxation effective 1 January 1991. This system should very soon be introduced in our country, too. The Ministry of Finance, on the other hand, to whose jurisdiction taxes belong, counts on the transition toward the value added tax being implemented as of 1993. This would mean, however, that, along with the replacement of the turnover tax by the value added tax, procurement, wholesale, and retail prices would have to be reformed again.

[Cechlovsky] Let us not forget housing rents. When will they go up?

[Dvorak] The Federal Price Office has been assigned the task of submitting by the end of June principles of dealing with rents in state-owned apartments. These rents should be brought to equal level with rents in cooperative apartments. In other words, decisions on rents could be made relatively soon. However, at the same time it is necessary to draft and approve a law on the sale of apartments into private ownership and a law on the use of apartments. There will be, at any rate, a time lag of between 6 and 12 months between the announcement and implementation of the new rents. In other words, we will not see an increase in rents before the year is out.

[Cechlovsky] The liberalization of prices is to be introduced as of 1 January next year. What impact will it have on retail prices?

[Dvorak] It follows from the objective logic of the market that, under conditions of a high degree of monopolization, an insufficient degree of the economy's openness, and significant preponderance of demand over supply, the liberalization of prices will inevitably bring about drastic price increases in the form of hyperinflation. This means that the aforementioned figures on the calculated impact of the price reform that will go into force on 1 January 1991, figures which project only changes in the prices of inputs, would even be much higher. The promised macro-regulation of monetary and fiscal policy cannot, in my opinion, prevent such a development because its restrictive intentions will to a large extent be undone by the liberalization of prices.

[Cechlovsky] Is it possible to estimate the proportion of freely set prices?

[Dvorak] I would not want to speak about their proportion in terms of percent. That depends on the progress of demonopolization and privatization, on the development of the situation on the market, and on how successful we are in integrating our market with foreign markets and, thereby, in establishing a competitive environment guaranteeing the market's operation as a demanding and objective regulator of prices. Of course, we cannot wait till all the conditions of a market economy are established, till demand and supply are in balance. We will try to contribute with our active price policy to the creation of a full-scale market.

[Cechlovsky] Which concept concerning the liberalization of prices has gained the upper hand finally? The Czech, i.e. gradualist, scenario, on which you yourself have worked, the rapid scenario of [Finance] Minister Klaus, or some kind of a compromise between the two?

[Dvorak] None of the scenarios has gained supremacy so far because the central rectification [naprava] of prices and the preparation of the liberalization of prices are yet to be discussed in the government. We argue that it is impossible to free all prices yet because the necessary conditions have not been created for it in the marketplace. We want the price rectification that is to go into force on 1 January 1991 to be carried out under some kind of regulation. The further fixing of prices and price changes should then, for the most part, be a matter of agreement between the supplier and the consumer, i.e., they should be contractual prices. The prices of products of monopoly manufacturers would then be regulated by means of general rules set by legal provisions. In this way we would attend to a certain price surveillance and see to it that monopoly manufacturers do not misuse their privileged position.

[Cechlovsky] The rectification and liberalization of prices are undoubtedly economically essential but, nonetheless, their scale gives rise to anxiety. Are the changes that are in store for us not too great?

[Dvorak] Much will depend on how the government tackles the problems of exchange rate, price rectification, price liberalization, and other substantial issues. In my opinion, it is possible to successfully implement the transition to a market economy, provided that all the steps are optimally harmonized. Of course, the social impact of this transition can be palpable.

[Cechlovsky] Thank you for the interview.

Demonopolization of Foreign Trade Continues

*AU2806131490 Bratislava PRAVDA in Slovak
26 Jun 90 p 2*

[Elena Klimesova report: "Breaking Down the Monopoly Barrier"]

[Excerpt] Bratislava—"A return to Europe is only possible for an economy to which a comparison with world standards, the productivity of labor and market conditions neither presents a problem nor comes as a shock," stated Engineer Josef Pancir, CSFR first deputy foreign trade minister, at the beginning of yesterday's news conference held within the framework of the INCHEBA 90 exhibition.

He mainly talked about the changes to the organizational structures, which are unavoidable during the Czechoslovak economy's transition to a market economy. In this regard, the foreign trade department enjoys a certain precedence over the other departments. At the end of last year alone, 11 foreign trade enterprises converted to the new joint stock company principles, and the conversions will continue in other enterprises this year. Since the adoption of the amendments to the law on foreign economic ties and to the law on enterprises with foreign capital participation, 653 permits have been issued to manufacturing organizations for foreign trade activity and 63 permits have been issued to joint enterprises with foreign capital participation. However, such demonopolization has, so far, not been significantly manifested in more intensive trade activity. All the aforementioned organizations exported—until the end of last year—only 14 percent of their production to the ruble sphere and a mere seven percent to the countries of the so-called dollar sphere. Another important amendment in this department is the abolition of the foreign trade agencies' monopolistic authority; these agencies made the decisions on what kind of business was conducted. All forms of ownership have been granted equal status in foreign trade just as in the other spheres of our economy. Until approximately mid-June, 248 companies with authorization to conduct foreign trade activity had been registered at the Ministry of Foreign Trade on this basis. This means that altogether 55 foreign trade organizations, 889 Czechoslovak enterprises, organizations, and individuals, and 74 enterprises with foreign capital participation now have the authorization to carry out this kind of activity. [passage omitted]

CPCZ Holds Session, Adopts Resolution

AU2806100090 Prague RUDE PRAVO in Czech 25 Jun 90 pp 1, 2

[Vlastimil Bradac and Vaclav Pergl report: "The 18th Congress Has Been Convened"]

[Excerpts] Prague (From our own correspondents)—The 18th Communist Party of Czechoslovakia [CPCZ] Congress has been scheduled for 27 October 1990. This decision was made at Saturday's [23 June] fifth CPCZ Central Committee session. At the same time, the session approved the election of one delegate per 1,000 party members with the proviso that at least four delegates are elected from each district. No decision has yet been made about where the congress will take place. Communist Party Federal Assembly deputies were also present at Saturday's session.

Vasil Mohorita, CPCZ Central Committee first secretary, made a speech at the beginning of the session about the election results and the future tasks facing the party. Among other things, he said that 1.5 million people, almost 14 percent of the electorate, demonstrated by the way they voted that the CPCZ has a truly legitimate position in society. Later, he analyzed the election results and discussed the course of action for the party's renewal, a course of action which should be measured but also accelerated. He described as erroneous the views demanding that the CPCZ put forward its own candidate in the presidential elections. "In a truly democratic society, the president is elected on the basis of the majority's opinion. We have to take the election results into consideration; many people voted for the Civic Forum and the Public Against Violence movement just because of the president. The most recent opinion polls have indicated that he still enjoys the public's trust. It is necessary to take this into consideration. Let our deputies make a free decision on this."

Apropos the Party's Name

The discussion lasted almost six hours. More than three dozen participants contributed to the discussion. Differences of opinion were apparent, for example, in resolving the issue surrounding the party's name. Hana Jackova (Semily) and Kvetoslava Celisova (Usti nad Labem) were opposed to the change. They emphasized that the membership base has not raised this issue. On the contrary, Peter Weiss (Bratislava) and others think that the change is necessary and that it is impossible to avoid it. L. Adamec then summed up the discussion on the party's name in a concluding statement. He said that this is not the most important task. "Let each party member and nonparty member have his own say on this. Then we will make our evaluations and decision by means of a discussion. We are not trying to resolve the name issue 'from the top.' This would be incorrect and unjust."

Apropos Convening the Congress

Within the framework of the discussion, L. Adamec, the party's chairman, made a speech and outlined the reasons for convening the 18th CPCZ Congress. The congress must deal with the issue of how to continue transforming the party into a truly modern left-wing force and with what kind of ideological and political foundations the party should be built upon. "The congress preparations will not just be an internal party affair. The collective drafting of our points of view on the forthcoming social and economic changes must become an inseparable element of this process. These and other tasks can only be fulfilled by a party not burdened by old concepts and by ideological and organizational stereotypes. A party which has completely detached itself from Stalinist and neo-Stalinist deformations, a party which will not be linked to a dogmatic heritage, but will be open to all idea streams, and a party which will correspond to the demands of the new era will be a reliable partner for the entire left-wing and for a democratic society."

In conclusion, he stated that an obvious requirement is that the preparations for the congress be made in an open and democratic manner before the public. We perceive the preparations for the congress as an inducement and an appeal to both the party and left- wing intelligentsia to come forward with their opinions, criticism, and suggestions. [passage omitted]

Apropos the Talks With the President of the Republic

"As was apparent from the conversation, the president was interested in making sure that there is at least indirect cooperation with the CPCZ as it is the second strongest party in parliament," said Peter Weiss in reply to questions from members of the CPCZ Central Committee. "He accepted our argument that suspending CPCZ membership for our party members in the government does not make any sense as this leads to the public opinion that a minister has sold his political convictions for a ministerial salary. The president was also interested in how we will organize the party in the future in connection with the issues of an authentic federation. He accepted with satisfaction our explanation that we want to operate as national political forces and, at the same time, we want to have a coordinating organ with specific rights toward the deputies' club, the Federal Government, the president, and other central organs. The entire meeting had an informal atmosphere. No invectives were addressed to our party."

What Is in the Resolution

The resolution adopted at the fifth session is relatively comprehensive. In it, the CPCZ Central Committee convened the 18th CPCZ Congress for 27 October 1990 and recommended the following agenda:

—a CPCZ Central Committee report on the party's activity since the extraordinary congress and on the main strategy of its transformation into a new and modern left-wing party.
—a report on the activity of the CPCZ Central Control and Audit Commission.
—a report on the activity of the RUDE PRAVO editorial board.
—a report from the CPCZ Central Committee commissions established on the basis of a resolution adopted at the extraordinary CPCZ congress.
—the discussion and approval of congress documents.
—the election of central CPCZ organs.

It authorized the Executive Committee to make a decision on the place where the 18th CPCZ Congress will be held.

It also approved a report on exempting members of the former CPCZ Central Committee from maintaining their obligatory silence. According to the report, they are no longer obliged to remain silent as far as party matters related to CPCZ financial resources, the CPCZ budget, and the state budget are concerned. There is no legal requirement for the current party organs to keep silent about matters associated with the execution of their party function.

The Central Committee also approved a final report from the liquidation commission at the former People's Militia headquarters. The report states that the removal of weapons and munitions was completed within the agreed deadlines. The military standards from the regional headquarters, including the appropriate documentation, have been placed in a historical military institute. Banners from the GDR and the Hungarian People's Republic workers' militias, including their chronicles, have been handed over to the Klement Gottwald Museum. Various publications, newspaper articles, photographs, and other documents concerning the People's Militia have also been placed in its depository.

The session also approved, in harmony with the republic's new name, the use of KSCS [Komunisticka Strana Ceskoslovenska] as the abbreviation for the party's name. (The full name will not change since this proceeds from the law on political parties).

The session announced the reorganization of the CPCZ Central Committee apparatus with effect from 30 June 1990 with the aim of establishing a Communist Party of Bohemia and Moravia [KSCM] Central Committee apparatus and of reducing the overall number and rationalizing CPCZ Central Committee and KSCM Central Committee apparatus operations.

It set the task of drafting a working paper for a discussion on maintaining or changing the party's name. Milena Hyklova (Novy Jicin) was released from her post as member of the CPCZ Central Committee at her own request.

The CPCZ Central Committee appeals to all members, party organizations, clubs, organs, and platforms to actively participate in the preparations for the 18th CPCZ Congress and to express their opinions on all the submitted congress materials, on their own perception of their party membership, and on the party's name.

The sixth CPCZ Central Committee session has been convened for 1- 2 September 1990.

L. Adamec is departing on his vacation. During his absence, V. Mohorita will deputize for him.

L. Adamec has announced to the Central Committee that he will not campaign at the 18th congress for the post of party chairman.

Mohorita on Outcome of Elections

AU2806162990 Prague RUDE PRAVO in Czech 15 Jun 90 p 5

["Excerpts" of speech by Vasil Mohorita, first secretary of the Communist Party of Czechoslovakia Central Committee, presented to the fifth session of the Central Committee in Prague on 25 June]

[Text] The future of the Communist Party is linked very closely with that of society as a whole. That is what had been decided in the elections in the second week of June.

Obligation Toward the Voters

Almost 14 percent of votes proved that the Communist Party of Czechoslovakia [CPCZ] truly has a legitimate position in society. It means that almost 1.5 million citizens voted for us. They were people who believe in the comprehensive revival and in the metamorphosis of the party and who want to take an active part in this. They were people who gave us their vote for sentimental reasons, people feeling some kind of moral duty to do so. Not many laborers, however, and not many young people voted for us. Nevertheless, the outcome of the elections represents for us a great obligation, which we have and will have, toward the people who voted number "ten." If we want to do even better in the next elections, a lot must be done toward achieving this goal. Above all, the party has to be changed.

We passed through the election campaign as we resolved to do: decently, properly, but, at the same time, actively, openly, and constructively. We did not accept any confrontation, just as we did not take advantage of some unpopular measures or questionable social phenomena and facts which arose during the past months in order to gain political advantage at a bargain price.

If I were to compare our party at the extraordinary congress in December to a newborn, then I would stress that by the elections it not only made its first steps and learned to move its arms, but it also learned how to think—and not badly, at that. As a proof may serve, for instance, the quality of the electoral staff we managed to assemble in the majority of the regions and districts.

The Candidates Held Their Ground

The candidates for the post of deputy on the list of the CPCZ deserve special attention. Their number totaled 598. The fact that during the difficult election campaign only fewer than ten percent of them withdrew testifies to the personal courage of our candidates. They simply are people on whom we can and will count for the future.

I am convinced that the 101 deputies, whose average age is, for instance in the Federal Assembly, only a little over 44 years, will form in the highest representative bodies a collective on which the party will be able to depend.

I would like to stress yet another aspect in connection with the elections and their outcome. Some people reproach us that in the final months there was too much humility in our conduct. I believe the following, and I am not saying it for the first time: We cannot escape our party's past. We can rest assured that we will be reminded of it for a long time to come. We have definitely dissociated ourselves from it. The past six months have demonstrated that it was not just a verbal dissociation, that we have practiced what we preached. At the same time, we are not trying in any way to relieve ourselves of the co-responsibility for the mistakes, errors, and failures of the past; just as openly, however, we insist that it is our duty, but also a right, to actively participate in the correction of all that is wrong.

The election results have shown that the majority of citizens accepts the need for fundamental reforms, but they wish these reforms to be implemented by the so-called political center with the participation of the left. These political forces represent for a sizable segment of the population, above all, the preservation of the achieved social securities and the prospects for social justice.

Revival of the Party Must Continue

In this respect, we are entering an extraordinarily significant, in my eyes, a key period. Why do I say that? First of all—I am convinced that the majority of our voters gave us their trust because they believe in the fundamental change of the party as such, of its appearance as well as of its activity. I do not think at all that, as many people claim, we have obtained so many votes because those who gave us their votes fear changes of any kind. The opposite is true. Today our party is in such a position that it does not only expect fundamental changes in the entire society, but it wants to take an active part in them. At the same time, however, it feels that first of all it must change itself. If someone here thinks that we held our ground in the elections and that we can now return to the old practices, style, and methods of work, then he is very mistaken. By the third session of our Central Committee, we said that whoever trys to hinder the revival of the party, whoever would attempt to preserve in it outdated principles and thoughts, would represent a great danger not just for the party itself but for the prospects of the entire future Czechoslovak left.

The trust of left-orientated voters and the fact that our members were elected to the highest representative bodies mean for us, I think, a duty to participate in the formation of a leftist bloc in the country. At the same time, we ourselves must rapidly and purposefully change into a modern left-wing party. This assumes, among other things, that we look again, through the prism of the present, into the past of the party and of our country. It means to renounce what was proudly referred to as the "bolshevization" of the party. We have to separate ourselves from the often truly infamous past of our party by an objective thick line, close the account, and start anew in an entirely different fashion, or, as one can say, to begin from year one.

We Offer Cooperation to Leftist Forces

I am convinced that a strong left in our country is a necessary element for its further balanced development, that it is a powerful guarantee for all the changes taking the course delineated by our people's wishes. For this reason, we must not look at the other left-wing forces as our adversaries or opponents. The opposite is true. Our task—but in view of the current political representation, also our duty—is to offer assistance and universal cooperation to these left-wing parties and movements. Of course, only if they are interested. Should this sincere offer of ours be accepted, we are not making any claims on the others that they should adapt to us or that we should direct or manage them. Exactly the opposite: We are able and willing to present in the parliament even those views of theirs which differ from our own. Moreover, we are not considering limiting the realization of this policy to the central level alone. We would appreciate it if the necessary and beneficial contacts in this respect were made by the party bodies, organizations, and professional as well as special interest clubs at all levels.

It is necessary that we realize that it is up to us to take the first steps in approaching the others. It must be us who will have to remove the mistrust of our partners. They must be shown by deeds that we are a different party from the one existing until recently.

Are We Going To Be in Opposition?

We are entering the operation of the newly elected parliament with the same principle our deputies have followed already during the past weeks: We will support everything that we are convinced will benefit our country's future and its development. We will continue to stand for the principle that this society needs, and will continue to need, the so-many-times stressed consensus.

There are many discussions on whether the communist deputies will be in parliamentary opposition, because the other parties and movements declare that they will not join in a coalition with us.

According to my opinion, we will not form any opposition. After all, are our interests, the interests of our members, and of those who sympathize with us, so fundamentally contrary, antagonistic to the interests of some other fellow compatriots? Of course, there are concrete limits, borders which we will not be able to cross. These principles are rooted in the action and electoral programs of the party. In the future, the parliament cannot be conceived of as a tool of the party's will, but party work must be conceived of as a component of parliamentary policies.

We see the essence of our deputies' activity in the parliament in their constructive approach to the negotiations on the amendments, bills, and measures under preparations. It is our moral duty to contribute as actively as possible to fulfill everything that will help our society. That is the only way to gradually redeem all the blunders caused by the Communist Party in the past. For us, that is the only way to endeavor gaining people's trust.

Specific Programs in Communities

Our approach to the local elections will not differ from that which we used in the June elections to the highest representative bodies. We will again lead an active, open, businesslike, constructive, and decent campaign. Let us not fear using conclusive arguments to much greater extent. After all, we can clearly demonstrate in hundreds of towns and villages that in the past 42 years, something good has been done in this country, that something has been built, and began to work. Discriminating, reasonable people who live and work in these localities know about it.

I still would like to stress this: While in the elections to the highest representative bodies, all parties and movements running in the elections submitted programs that were similar in many aspects, usually consisting of general principles; we cannot succeed with such an approach in the local elections. In the party's electoral program in specific locations, we must pinpoint precisely the greatest and most volatile problems in local people's lives. It is not possible for us to clam up, organize something clandestinely. No, we must do the opposite. At these specific locations, it is necessary to speak openly about our plans and ideas, discuss the issues with people, offer plans for cooperation and a generally beneficial initiative.

New Slovak Government To Establish Foreign Ties

LD2806143790 Prague CTK in English 1355 GMT 28 Jun 90

[Text] Bratislava June 28 (CTK)—Slovak Premier Vladimir Meciar described here today the new Slovak Government as the government of national cooperation and said that it would strive to draw a program which would be acceptable for other political parties and mainly for the majority of the people in Slovakia. Speaking at a news conference he said that the coalition parties had agreed to evaluate the work of the government later. In case it did not comply with the needs, the parties would make corresponding structural changes.

Although women are not represented in the Slovak Government, it will set up a government committee for woman and family which will deal with their social problems, the Slovak premier said.

He went on to say that preparation of Slovak experts for foreign service would be promoted and that Slovakia would establish relations with foreign countries as a national republic. He said that a newly-born Economy Ministry is an important change and that within one year the abolition of some ministries is planned (Industry, Building Industry, Trade, Agriculture and Forestry, Water Management and the Wood-processing Industry). Other changes in the management of the Slovak economy are expected as well, he stated.

Report on Slovak Government Press Briefing

LD2806223890 Bratislava Domestic Service in Slovak 1630 GMT 28 Jun 90

[Sona Jesenska report]

[Excerpt] The first government press briefing, given today, suffered from an organizational slipup: The government members outnumbered the journalists present, which is certainly a great pity. [Slovak] Premier Vladimir Meciar's opening speech dealt with the key Slovak economic, political, and social problems. In essence he repeated what he said yesterday when he thanked the chairman of the Slovak National Council for the trust vested in him. He went on to say that we do not yet have a democratic state, and that there are still many changes to be made not only in the economy and politics, but particularly in the people—their hierarchy of values, tolerance of different views, and personal courage. He said that the issue of the Constitution is exceptionally important, and that the Constitution of the Slovak Republic will be respected by the Czecho-Slovak Constitution. The government's idea is that this document should be finalized within one year, not two as is currently envisioned. The importance of the cabinet's and parliament's work lies in the fact that new legislation is conflicting with the existing Constitution, and therefore it is very important that a new institution—a constitutional court—be set up. It is not yet known who should head this court, but a constitutional court at the federal level to resolve any disputes about areas of jurisdiction between the two republics should be headed by Milan Cir, the Slovak premier said.

Another snippet from today's briefing: the Slovak National Party, it was said, did not enter the government coalition because it wants to open the doors for its presence in the new cabinet in two years' time. [passage omitted]

Slovak Deputy Premier To Control Media

LD2806224590 Bratislava Domestic Service in Slovak 1930 GMT 28 Jun 90

[Text] Slovak Premier Vladimir Meciar and other members of the government held a press briefing in Bratislava on 28 June. The new premier noted in his opening remarks that the government is constituted as a coalition and that none of the appointments in it are necessarily permanent—they will depend on the work of each of its members.

Vladimir Meciar also noted how the various representatives were assigned, the changes that would be implemented, and the way they would be managed. For example, First Deputy Premier Jan Carnogursky will coordinate the work of the Ministries of Education and Culture, Health, and Labor and Social Affairs. The government is to set up a department under his control to deal with management of the press, radio, and television. Jan Carnogursky will also be responsible for dealing with national minorities issues. This was one of the issues raised by newsmen later in the news conference, and Vladimir Meciar said that the nationalities question is one of the key problems of the new government.

Meciar Interviewed by Communist Party Daily

AU2906090790

[Editorial Report] Bratislava PRAVDA in Slovak on 26 June on pages 1 and 3 publishes a 3,000-word interview with Vladimir Meciar, the then minister of interior and current premier of the Slovak Republic, by Dusan Kleiman entitled "You Can Replace a Government but Not the Nation." The date and place of the interview, which Meciar gave in his capacity as minister of interior and premier- designate, are not given.

The opening part of the interview is devoted to the "Demikat affair" involving Jan Demikat, whom the 16 June 1990 session of the Communist Party of Slovakia (CPSL) Central Committee "released from his post as chairman and member of the CPSL Central Control and Auditing Commission." The same session also accepted Demikat's resignation from the party. As PRAVDA observes in an editorial note, Demikat resigned following "repeated, very serious critical reservations on the part of Communist Party of Czechoslovakia members about his work and stands"; PRAVDA does not, however, specify the nature of these "reservations." The interview with Meciar reveals that, following his resignation from the party, Demikat entered the services of the Regional Administration of the National Security Corps in Kosice, where he is currently the "chief of the standby motorized unit."

Asked about the case of Jan Demikat, Meciar concedes that there have been protests against his joining of the security forces and that these protests are motivated by Demikat's past as a "long- standing member of the State Security Corps" (until 1983) and "high- ranking party functionary." Meciar stresses, however, that no one has as yet presented "anything specific" against Demikat and that during the admission procedure, too, "no obstacles were ascertained" that would disqualify him from service in the security forces. Should, however, "anything from Demikat's past turn up that would be inconsistent with his current assignment," he will have to leave.

Speaking about the situation in the security forces, Meciar also mentions his conflict with Federal Minister of Interior Sacher concerning the appointment of the chief of the Regional Administration of the National Security Corps in Kosice. He points out that Sacher bypassed both candidates who were proposed by Meciar, even though both were "morally, professionally, and politically irreproachable." Instead, he "appointed as chief a 59- year-old man, even though the retirement age for members of the security forces is 55. Moreover, the new chief was hired without his professional competence for the job being checked." Because of this "breach of elementary principles," Meciar reportedly "filed a protest with Federal Minister Mr. Sacher against the appointment."

One PRAVDA question concerns the remark made by Vladimir Meciar at a public rally in Bratislava that "our prisons are empty." According to the interviewer, this remark was perceived by some PRAVDA readers as an attack on communists and as a harbinger of political trials to come. Meciar regrets this interpretation of his remark, stressing that his statement was not addressed to communists but to a "certain, very specific group of persons." He assures PRAVDA readers that he does not have any hostile feelings for members of the party and that he realizes that "the party was and is differentiated."

In another part of the interview, Meciar explains his negative attitude toward the search for former state security collaborators and screenings in general. He says that people's motives for collaboration were varied and that many people were forced to collaborate. Besides, the results of screenings are "highly questionable" because about 15,000 files have disappeared. Consequently, even people who collaborated "intensively" could emerge from the screenings with a clean record. Meciar warns that the publication of the names of secret police collaborators would trigger a "witch-hunt" and would affect the innocent wives and children of the people concerned. He also expresses his concern about the atmosphere of mutual suspicion which the screenings have set off and about their "negative political impact."

In the PRAVDA interview, Meciar also responds to the "claim of some people" that he has "Czechoslovakist leanings." Meciar replies that he is "rather surprised" to hear this as "in Prague I heard a different accusation, namely that I am a [Slovak] nationalist." Explaining his view on Czech-Slovak relations and the calls for Slovakia's independence, Meciar then says: "My creed is that the national interests of the Slovak Republic must be defended. However, the defense of these national interests must not mean that Slovakia should break away.

When I say that Prague centralism must be done away with, I do not intend to replace it with Bratislava centralism. In other words, bureaucracy in our relations should be replaced by natural, normal bonds of life. The present structure of state administration suits neither the Czechs nor the Slovaks. The process of decentralization is a condition of the existence of these bodies. We must not, however, entertain various extremist theses about Slovakia's immediate breaking away because that would be damaging to Slovaks. I am saying this aloud because I love this nation. If someone takes the oath to serve his nation, he should act to the benefit of its interests and not follow swings of mood."

Biography of Slovak Parliament 1st Deputy Chairman

AU2906081990 Bratislava NARODNA OBRODA in Slovak 27 Jun 90 p 2

[Text] Engineer Ivan Carnogursky was born on 27 May 1933 in Bratislava. In 1956 he obtained the degree of engineer from the Engineering Faculty of the Slovak College of Technology in Bratislava. In 1975 he graduated from the Faculty of Management of the Economics College in Bratislava. In January 1990 he became the Christian Democratic Movement's deputy to the Slovak National Council [SNR] for East Slovakia. At the constituent session of the SNR [on 26 June] he was elected first SNR deputy chairman.

Milan Cic Elected to New Posts

LD2806204190 Prague Television Service in Czech 1730 GMT 28 Jun 90

[Text] Milan Cic, until the beginning of this week Slovak premier, assumed a new post in parliament today. After being elected deputy of the Federal Assembly, he was also elected chairman of the Constitutional Legal Committee of the Chamber of the People.

Slovak Paper: Czech 'Haughtiness,' 'Pragocentrism'

AU2706195690 Bratislava NARODNA OBRODA in Slovak 26 Jun 90 p 2

[Igor Cibula article: "Incorrigible Pragocentrism"]

[Text] In connection with the efforts to constitute Moravian and Silesian regional self-administration, some voices have been raised criticizing the "Czech haughtiness" and "incorrigible Pragocentrism." Those who used this term in Brno have thus labeled all the manifestations of superiority coming from Prague, where independent initiatives originating in the countryside are usually met with conceit and rejection. This is not only true ofthe Moravian regionalists, but also of the Slovak nationalists.

Not only Slovak National Party activists but everyone who expresses an opinion different from the one which is accepted in certain Prague circles are considered to be nationalists. Not long ago, the "independent Prague daily," LIDOVE NOVINY, labeled Prof. Hvezdon Koctuch as a "specialist blindfolded by nationalism," because in a TV discussion on relations between Czechs and Slovaks he presented his opinion that Slovak national interests should be protected. A Czech economist criticized his Slovak colleague; yet, in his reasoning, he was unable to avoid a derogatory ideological type of labeling.

This example illustrates the prejudices against Slovak ideas in Prague. This is not the only example of how the Czech public learns to look at the Slovak concept of solving topical social problems. Despite the fact that this situation is characteristic, it is necessary to add—in order to remain objective—that there are personalities among the Czech intelligentsia who are inclined to understand the Slovak standpoints on topical contemporary problems. Probably this need was most truthfully illustrated by the sculptor Olbram Zoubek in the weekly CESKA POLITIKA [Czech Policy]: "We should try to really understand the Slovaks. We should be able to look through their eyes. This is not easy."

That is why—if we want to analyze the hidden connections and the significance of casting doubts on relations between Czechs and Slovaks at present—it is not enough to point out the lack of understanding on the Czech side. Let us try to look at ourselves through Czech eyes and, at the same time, to interpret Czechoslovakism and Pragocentrism through a historical prism and, above all, in the context of totalitarianism which, according to Jiri Hajek, former foreign minister, "reduced the Czech, Slovak, and Czech-and-Slovak policy to approval of and obedience to its monopolistic power."

New Czech Republic Government Announced

LD2906125390 Prague Domestic Service in Czech 1200 GMT 29 Jun 90

[Text] The Czech National Council Presidium appointed Petr Pithart Czech premier today. It went on to appoint the other members of the government as follows:

Frantisek Vlasak: deputy premier and chairman of the Czech Commission for Planning and Scientific Development;
Antonin Baudys: deputy premier;
Milan Lukes: deputy premier;
Karel Spacek: minister of finance;
Ludvik Motycka: minister of construction and the building industry;
Petr Vopenka: minister of education, youth, and sport;
Milan Uhde: minister of culture;
Martin Pojar: minister of health;
Milan Horalek: minister of labor and social affairs;
Leon Richter: minister of justice;
Tomas Hradilek: minister of the interior;
Jan Vrba: minister of industry;
Bohyumil Kubat: minister of agriculure and food;
Vlasta Stepova: minister of trade and tourism;
Bedrich Moldan: minister of the environment;
Bohumil Tichy: minister-chairman of the People's Control Committee.

The following Czech government ministers [without portfolio] were also appointed: Karel Dyba, Miroslav Gregr, Jaroslav Sabata, and Tomas Jezek.

Czech National Council Presidium Elected

AU2906120690 Prague LIDOVA DEMOKRACIE in Czech 27 Jun 90 pp 1, 3

["b"-signed report: "Czech National Council Constituted"]

[Excerpts] Czech National Council deputies elected in the first free elections after decades of totalitarianism met at the constituent session of the highest Czech representative body which took place in the historical building in Prague's Mala Strana yesterday. [passage omitted]

There were 191 members of the Czech parliament in attendance, seven did not appear, and two announced their resignation to the Czech National Council Presidium. [passage omitted]

After the elections to the Mandate and Immunity Committee, the chairperson of which became Deputy A. Roschova, the Czech National Council plenum acknowledged the report on the operation of the Presidium for the period from 18 May to this constituent meeting.

Then the election of the new chairman of the Czech National Council took place. [passage omitted]

Dagmar Buresova was elected chairperson of the Czech National Council in secret ballot. Thereafter, she thanked the deputies for their confidence and, among other things, pointed out that the present provides a real chance for the democratic principles to permeate our whole life. [passage omitted]

The former Presidium of the Czech National Council, which met prior to the constituent meeting, acknowledged the resignation of deputies R. Zeman (Civic Forum) and Z. Sperka (Movement for Autonomous Democracy/Society for Moravia and Silesia) at their own request.

Members of the Czech National Council Presidium

Chairperson of the Czech National Council: Dagmar Buresova (Civic Forum).

Deputy Chairmen of the Czech National Council: Jan Kasal (Christian and Democratic Union), Michal Kraus (Communist Party of Czechoslovakia), Zdenek Malik (Movement for Autonomous Democracy/Society for Moravia and Silesia), Vaclav Zak (Civic Forum).

Chairmen of the Czech National Council Committees: Anna Roschova (Civic Forum)—Mandate and Immunity Committee, Jan Kalvoda (Civic Forum)—Constitutional and Legal Affairs Committee, Petr Kozanek (Civic Forum)—Budget and Control Committee, Vlastislav Svec (Movement for Autonomous Democracy/Society for Moravia and Silesia)—National-Economy Committee, Antonin Hrazdira (Communist Party of Czechoslovakia)—Committee for Territorial Administration, Nationalities, (and International Relations), Vladimir Lastuvka (Civic Forum)—Environmental Protection and Urbanism Committee, Petr Lom (Civic Forum)—Social Policies and Health Committee, Vladimir Suman (Civic Forum)—Petitionary Committee for Legal Protection and Security, Jaroslava Moserova (Civic Forum)—Science, Education, and Culture Committee, Antonin Prochazka (Christian and Democratic Union)—Church and Humanitarian Affairs Committee, Jiri Frkal (Communist Party of Czechoslovakia)—Trade and Tourism Committee.

Other Members of the Czechoslovak National Council Presidium: Stanislav Belohradek (Christian and Democratic Union), Ludek Fendrych (Movement for Autonomous Democracy/Society for Moravia and Silesia), Herman Chromy (Civic Forum), Eva Kanturkova (Civic Forum), Zdenek Kotrly (Civic Forum), Jiri Novak (Civic Forum), Jaroslav Ortman (Communist Party of Czechoslovakia), Karel Stindl (Civic Forum), Jiri Vlach (Civic Forum). [passage omitted]

Curriculum Vitae of D. Buresova

She was born in Prague on 19 October 1929. Her father was a lawyer, her mother was a housewife; she has two brothers. She graduated from the sciences-orientated high school [realne gymnasium] in Prague with senior matriculation in 1948. During the years 1948-52, she studied at the Law Faculty of Charles University and then entered the legal profession, in which she has worked until now. She has never been a member of any political party. During the more liberal period, she served in professional legal bodies—since 1963 she has been a member of the Prague Municipal Association of Lawyers Committee; since 1968 she has worked in the Central Committee of the Czech Lawyers Association, the operation of which was terminated after the [1968] occupation. As she entered legal practice, she also began to work in the legal research bodies. She was a member and eventually the head of the Labor Law Section of the Research Board of the Central Committee of Czech Lawyers, then a member of the Civil Law Section. She has been mostly concerned with the civil agenda, particularly with damage compensation. In the 1970s she represented numerous people who were dismissed from work for their political views, some of them in suits against the press and in suits for individual protection, some she defended in the Criminal Court.

She has been a girl scout since 1945, on 19 May 1990 she was elected the National Leader of the newly constituted Scout movement [Junak]—Union of Boy Scouts and Girl Scouts. Since 6 December 1989 she has worked as the Minister of Justice of the Czech Republic.

Czech Justice Minister on Exonerations, Vetting

AU2806133790

[Editorial Report] Prague LIDOVE NOVINY in Czech on 25 June on pages 1 and 8 publishes a 1000-word interview with Dagmar Buresova, Czech minister of justice, by Milan Vybulka, LIDOVE NOVINY correspondent, entitled "Justice Before Rehabilitation." The place and date of the interview are not given. The minister speaks about the "Law on Court Rehabilitation" which is to come into force on 1 July 1990 and which, according to her, involves about 150,000 people in the Czech Republic. She says that both the number of judges and the conditions for their work are inadequate to deal with this task. Asked about the vetting of judges, she replies that she requested it but has not received the results. In this context, Buresova objects to the decision of the 21 June session of the Federal Government to discontinue vetting, and adds: "In my opinion, vetting is necessary for the reconstruction of the judiciary, because only people with a clean moral bill of health can work in justice." She notes that, as far as she knows, the number of judges who collaborated with the State Security was minimal, and that in the past 20 years, only two cases of corruption or incompetence were ascertained.

4-5 Daily Strikes Reported in Czech Republic

AU2806151890

[Editorial Report] Prague LIDOVE NOVINY and Prague PRACE in Czech on 26 June both publish correspondents' reports on a news conference given by the leadership of the Czech and Slovak Confederation of Trade Unions (CSKOS) in Prague on 25 June. At the news conference the leadership explained its rejection of the draft law on strikes, a statement on which was adopted at the 21 June session of the CSKOS General Council.

Prague LIDOVE NOVINY in Czech on 26 June on pages 1 and 8 carries a 400-word Milena Geussova report on the news conference entitled "Strikes Are Not In Vogue." According to the LIDOVE NOVINY correspondent, "the trade union representatives said that between four and five strikes occur in the Czech Republic per day." Their financing is not provided for as "the trade unions do not avail themselves of sufficient funds for that."

Prague PRACE in Czech on 26 June on page 1 carries a 250-word "ha"-signed report entitled "Are the Bosses' Salaries the Most Important Thing?" Asked about the pay of the highest trade union officials, the CSKOS representatives reportedly told journalists that Igor Pleskot, president of the CSKOS General Council, earns 15,500 korunas a month; Vice President Richard Falbr 10,900 korunas; and Vice President Vladimir Petrus 12,750 korunas. They added, however, that they are "disappointed at such low-level questions from the journalists."

TU Session Rejects Government Legislation

AU2606163390 Prague PRACE in Czech 22 Jun 90 pp 1, 2

["cka, ha"-signed report: "Protecting Social Guarantees: The General Council of the Czechoslovak Confederation of Trade Unions Met in Prague"]

[Excerpts] Prague—At its session yesterday, the General Council of the Czechoslovak Confederation of Trade Unions [CSKOS] unequivocally rejected the draft law on strikes submitted by the Federal Ministry of Labor and Social Affairs. The General Council's statement on the draft law states that, in drawing up the bill, the government did not make use of the possibility of a comprehensive approach to the legal regulation of economic and social processes.

The CSKOS General Council therefore demands that the legal codification of the right to strike be perceived as a whole and within the context of the collective bargaining and the solution of collective disputes.

Petr Miller, minister of labor and social affairs of the Czech and Slovak Federal Republic [CSFR], who had been invited to the session of the General Council, apologized for being unable to attend and his designated representative, Dr. Antonin Kotnauer, head of the ministry's labor law department, arrived after the General Council's statement had been approved. As a result, there was nothing to discuss.

Another document approved at yesterday's session of the CSKOS General Council was a resolution stating that the trade unions in the Czech Republic and in the Slovak Republic had already established their republican central representative bodies which, together with the federal trade unions, have voluntarily joined forces in a national representative body called the Czech and Slovak Confederation of Trade Unions. The two republican bodies and the federal trade unions associated in it authorize the Czech and Slovak Confederation of Trade Unions to carry out activities in relation to federal state bodies, particularly in the sphere of norm setting, common international relations, and other agreed activities.

Another statement of the CSKOS General Council concerns the draft principles of introducing a system of indexation of pensions. The statement states that the draft needs to be revised so as to respect the demand for retaining the real purchasing power of pensions. The highest trade union body also regards as unacceptable the draft principles of dealing with rents in state-owned apartments. Instead of addressing the causes of the current state of affairs, the draft only deals with the consequences and it does so, in essence, at the expense of citizens. In its statement on the draft law on employment, the CSKOS General Council states that the proposed wording of the law does not incorporate the comments on its principles, which the president of the CSKOS General Council sent to the CSFR premier on 23 March, in the name of the confederation. The confederation therefore disagrees with some provisions of the submitted draft and demands their revision. It regards as the crucial issue the safeguarding of the basic vital and social guarantees of our citizens, especially the right to work. The CSKOS is opposed to any form of economic or other pressure on citizens aimed at making them accept employment which is disadvantageous for them.

Furthermore, the General Council approved its budget, which foresees a contribution of 0.40 korunas [figure as published] from each member for its activity between 1 September and 31 December 1990. The session also discussed material on the use of the former Solidarity Fund and approved the proposal to set up a group that would carry out a detailed inquiry into the use of this fund in some items.

Igor Pleskot, president of the CSKOS General Council, then delivered a short report on the course of the international labor conference in Geneva. [passage omitted on this conference]

In connection with the PRACE editorial article "Let Us Defend Ourselves Jointly," which was published in the Wednesday [20 June] issue of our newspaper [and which expressed support for the striking journalists of SVOBODNE SLOVO, adding that PRACE journalists are facing similar attempts to restrict their freedom because some trade union functionaries would like PRACE to be their mouthpiece], the General Council requested members of primary trade union organizations to communicate to the leaderships of their trade unions their views on the position of the daily PRACE as a trade union daily and on the nature of its relationship with the trade union movement.

Opinion Poll Shows 51 Percent for Federation

AU2706195390 Prague HOSPODARSKE NOVINY in Czech 26 Jun 90 p 2

[CTK report: "A Majority Favors Federation"]

[Text] Prague—Should Czechoslovakia become a federation or should two independent states be established? The staff of the Institute for Public Opinion Research interviewed 700 citizens during the period from 29 May to 4 June. Generally, the idea of a federative arrangement (51 percent) prevails. A country administered by a single government without a federative structure is preferred by 37 percent of citizens; more people in the Czech Republic (30 percent) than in Slovakia (14 percent) prefer this arrangement. Slovak Republic citizens are more often proponents of the federative arrangement (63 percent) than people living in the Czech lands (45 percent). Relatively rare was the opinion, in the Czech as well in the Slovak Republic, that two independent states should be established—Czech and Slovak ones (Czech Republic 12 percent, Slovak Republic 13 percent). This tendency was confirmed in Slovakia during the elections when some citizens gave their vote to the Slovak National Party (13 percent on average).

As far as the legal arrangement of the state is concerned, a referendum should be held. This opinion is shared by the majority of our citizens (71 percent)—more often in the Czech Republic (77 percent) than in Slovakia (58 percent).

Evidence Against Bartoncik Termed Inconclusive

AU2606143990

[Editorial Report] Prague MLADA FRONTA in Czech on 22 June carries a 1,000-word article by Ondrej Neff entitled "An Easily Forgeable Document." On 23 June, on page 3, it carries a 1,100-word article by Ondrej Neff entitled "Guidelines for Professional Detectives." Both articles deal with the "expert opinion" of an Interior Ministry expert "who does not wish to be named" on the documentary evidence of Czechoslovak People's Party Chairman Josef Bartoncik's alleged collaboration with the State Security Corps (StB). The reproductions of these documents, which were made available to MLADA FRONTA by Jan Ruml, the deputy federal minister of interior, were published in the 13 June issue of MLADA FRONTA.

In the 22 June article, Neff deals with the "registration card" which, according to Jan Ruml, proves Bartoncik's collaboration with the StB. Neff cites the unidentified expert as saying that the existence of this card only proves the StB's interest in Bartoncik. As the expert points out, Bartoncik could have been an agent, but he could have also been only a target of StB's interest or the subject of StB investigations. The expert also stresses that the "registration card is a document that is easy to forge."

In his 23 June article, Neff describes the course of action which should be taken, according to the Interior Ministry expert, to prove or disprove the charges against Bartoncik and Bartoncik's identity as the agent Hajek (the cover name under which he is registered in the StB archives). The expert claims that in a bureaucratic institution such as the StB, it is impossible to destroy all documents. He suggests that the easiest way to verify whether Bartoncik worked as an StB agent would be to check the financial records of the StB, in which all receipts are "strictly kept" just like in civilian institutions. The records of payments are kept separately from the personal files and have not been fully destroyed, he says. The bills should also make it possible to reconstruct the dates of contacts between the StB and agent Hajek and, if they took place at times for which Bartoncik has an alibi, help "cleanse" Bartoncik.

Neff's informant also recommends that the records of StB agents' travels abroad be checked. As he points out, these records are kept at the former analytical department of the StB, room No. 570, and, according to his knowledge, were still intact as recently as a month ago. These records would also make it easy to verify whether agent Hajek's travels coincide with Bartoncik's trips abroad.

Libel Action Taken in Bartoncik Case

AU2806152590 Prague LIDOVA DEMOKRACIE in Czech 27 Jun 90 p 1

[CTK report: "Statement by the Prosecutor General"]

[Text] Dr. P. Rychetsky, Czech Republic prosecutor general, issued the following statement to CTK yesterday:

The Czech Republic prosecutor general states that, on the basis of a motion from the Czechoslovak People's Party, criminal proceedings were initiated on 15 June 1990 in connection with suspicion of the criminal acts of libel, in accordance with Paragraph 206 of the penal code, and of hampering the preparation and course of the elections, in accordance with Paragraph 177 of the penal code. Within the framework of this procedure and in harmony with the penal code, a comprehensive system for establishing proof has been set up; in particular, 14 witnesses have been questioned, a so-called registration protocol—important for the criminal proceedings—has been secured from the Brno National Security Corps Regional Administration, its judicial expert opinion, drafted by the Public Security Corps Criminological Institute, has been provided, and so on. The Czech Republic prosecutor general is not authorized, in view of the valid legal regulations on the protection of state secrets, to make public the evidence provided about Dr. Bartoncik's activity during the years 1971-88. Therefore, this evidence was submitted yesterday to the appropriate CSFR Federal Assembly organs for their information.

Sacher Criticizes Civic Forum in FRG Daily

AU2706195990 Prague HOSPODARSKE NOVINY in Czech 26 Jun 90 p 4

[Unattributed report: "Dr. Richard Sacher Against the Civic Forum"]

[Text] Bonn—Today's edition of the West German newspaper DIE WELT carries an article devoted to the attitudes adopted by the Czechoslovak People's Party [CSL] toward the Civic Forum.

Richard Sacher, interior minister, proceeds from the premise that the scandal surrounding Josef Bartoncik was staged by the Civic Forum to damage the CSL and to reduce its chances in the elections. Sacher thinks that the "ruckus" surrounding the Bartoncik affair cost the Christian Democratic alliance in Bohemia and Moravia eight to ten percent of the votes. Sacher declines to air his views on the question of Bartoncik's guilt or innocence. In his opinion, it is necessary to answer two questions first: Was Bartoncik an agent or not? And if he was, did he damage or did he help the CSL and the people.

In the interview for DIE WELT, Sacher makes an unusually strong attack on the Civic Forum. The Civic forum is shifting more and more to the left. Instead of orienting its attacks on the communists, the Civic Forum orients its attacks on the so-called clericals. There are numerous former communists who worked for the regime in the 1950's among the leading personalities in the Civic Forum. In this connection, Sacher names Ladislav Lis and another person who plays an important role is Oldrich Hromadko.

"The Civic Forum," says Sacher, "embodies strong totalitarian tendencies in my view." The Civic Forum's election slogans are reminiscent of the slogans of the recent past. The CSL has resolved to enter into the opposition under these circumstances. The question now is whether this road will lead to democracy or to a new totalitarianism.

Secrecy Surrounding Stepan Trial Criticized

AU2706181190

[Editorial Report] Czech and Slovak newspapers of 25 and 26 June discuss the trial of Miroslav Stepan, former member of the Communist Party of Czechoslovakia (CPCZ) Central Committee Presidium and leading secretary of the Prague CPCZ City Committee, which opened in Prague on 25 June.

Prague ZEMEDELSKE NOVINY in Czech on 25 June on pages 1 and 2 carries a 700-word Katerina Sladkova article entitled "Why a Secret Case?" Sladkova expresses astonishment at the fact that the trial is held behind closed doors, ostensibly to protect state secrets. She says: "The question comes to mind which interests could be endangered by Miroslav Stepan's deposition. I assumed that the old power structures have fallen apart and, along with them, the system and methods of coercion. Or have we taken over so much from those who had to leave that we have to be afraid of these methods becoming public knowledge? After all, the defendant's deposition can only concern the security systems in force prior to November [1989]. Could he perhaps thereby also betray today's defense and security models? I am simply unable to give an answer to this question."

Bratislava PRAVDA in Slovak on 26 June on page 2 carries a 300- word Frantisek Melis commentary on the opening of the Stepan trial, which raises a similar question. Melis writes: "This entire 'secret' trial logically gives rise to the speculation that M. Stepan is for someone an exceedingly dangerous 'talker' and that if, God forbid, he started to talk before the public it would inevitably be unpleasant for someone. Precisely that is what this someone is afraid of. The question is: Who is this someone? It can be assumed that we will not get an answer to this question soon. One thing seems certain, however. This someone is hidden behind the doors of the courtroom in Prague where the eight-day trial of the first victim of the new power holders' settling of accounts with the old power holders opened yesterday."

Prague MLADA FRONTA in Czech on 26 June on page 1 carries a 500- word commentary by Pavel Frybort and Ondrej Neff entitled "Question Marks Surrounding the Trial." The authors ask why the investigations took so long (four months) and they also express "doubts whether Miroslav Stepan will not become a scapegoat who will relieve all the perpetrators [of acts of repression against democratic forces prior to 17 November 1989] of responsibility." Although they concede that "the state must protect its secrets," they wonder why the entire trial is to be held behind closed doors. As Frybort and Neff point out, "it is a custom in democratic societies that the court orders the public out of the courtroom for a limited period of time when questions are broached which the law unequivocally defines as secret. Here, however, the whole trial is secret."

In conclusion, the authors express the hope that the new federal minister of interior, to be appointed on 27 June, will "declassify" the trial because "it is not the satisfaction of journalists' curiosity and not even the person of Miroslav Stepan that are at stake here, but the very understanding of legality and democracy."

Prague LIDOVE NOVINY in Czech on 26 June on pages 1 and 8 carries a 450-word "vyb"-signed report on the opening of the trial. The report states that the trial of Stepan may have to be adjourned because "yesterday the judges of the municipal district court for Prague-1 issued a statement in which they draw attention to the unsustainable material and personnel conditions of the Czech judiciary" and "declare that they will stop administering justice on 28 June 1990 unless their demands are dealt with."

Leaders of Assembly of Political Parties Elected

LD2806222490 Prague Domestic Service in Czech
1630 GMT 28 Jun 90

[Excerpt] Representatives of the Assembly of Political Parties, Movements, and Associations of the Czech and Slovak Federal Republic met in the Obecni Dum house in Prague on 28 June.

During important discussions about the future of this political and social body, Dr. Zdenek Zahorsky, chairman of the Republican Union, was elected the Assembly's chairman. Emil Dufala, chairman of the Cooperative Farmers Union, and Dr. Karel Smutny, spokesman of the Czechoslovak Democratic Forum, were elected its deputy chairman. [passage omitted]

New International Civic Group Meets in Prague

AU2706160190 Prague SVOBODNE SLOVO in Czech
25 Jun 90 p 3

["zc"-signed report: "Prague Invitation to Europe"]

[Text] Prague—The constituent congress of the Helsinki Citizens Assembly, which is to meet in Prague from 19 to 21 October, expects a participation of up to 800 representatives of civic initiatives, social movements, trade unions, various political trends, and religious, cultural, and scientific circles from 35 countries of Europe, the United States, and Canada. The program for the October congress was detailed at the weekend session of the preparatory committee, which took place in Prague. The demilitarization of Europe, the relationship between ecology and the economy, as well as the problems of ethnic minorities and human rights were also discussed at the Prague meeting. J. Sabata, chairman of the Czechoslovak preparatory committee, expressed his conviction that we will establish one of the main thrusts toward the future unification of Europe and that the Helsinki Citizens Assembly will become an open civic movement.

Socialist Party Plenum Decisions Outlined

AU2506130890 Prague SVOBODNE SLOVO in Czech
22 Jun 90 p 1

[Editorial article: "Dismissals Revoked; From the Fifth Session of the Czechoslovak Socialist Party Central Committee"]

[Text] The fifth session of the Czechoslovak Socialist Party [CSS] Central Committee, which took place behind closed doors, ended late Wednesday [20 June] night, after almost 10 hours. The resolution adopted at its close states:

In view of the statements by brother Milan Nevole and brother Lubomir Petrik that they would abide by the basic CSS documents, the CSS Central Committee revokes the decision of the CSS Central Committee Presidium to recall them from the posts of director of the MELANTRICH publishing house and chief editor of SVOBODNE SLOVO, respectively.

The Central Committee elected by secret ballot the following 13- member Presidium of the CSS Central Committee: Jiri Vyvadil, chairman; Milan Adam, executive deputy chairman for Bohemia; Jiri Drapela, executive deputy chairman for Moravia and Silesia; Vladimir Kovalcik, executive deputy chairman for Slovakia; Ladislav Dvorak; Alfred Frommer; Vitezslava Kluzova; Jaroslav Kral; Jaroslav Safarik; Jan Skoda; Karel Vebr; Petr Wagner; and Jiri Ladr (resigned).

The Central Committee charges the CSS Central Committee Presidium with:

1. Entering into negotiations with representatives of MELANTRICH employees;
2. Calling a session of the CSS Central Committee for 3 July 1990;
3. Requesting an independent expert analysis of the CSS election campaign;
4. Working out principles for the party's transition to a system of land set-up [zemske usporadani].
5. Instructing the appropriate commission to work out by the end of August an analysis of the election results on the basis of the district committees' evaluations. These are to be submitted by 15 July 1990.

The Central Committee rejects the resolution of the Prague meeting of CSS members of 19 July 1990.

The Central Committee acknowledges the intention of the CSS Central Committee Presidium to transform MELANTRICH into a joint- stock company.

Federal Assembly Communist Deputies Club Forms

AU2806135490 Prague RUDE PRAVO in Czech
27 Jun 90 p 2

["(ADA)" and "(NIG)"-signed report: "A Club of Communist Deputies"]

[Text] Prague (from our own correspondents)—The Federal Assembly Club of Communist Deputies was established on Tuesday [26 June]. The club affiliates the 47 deputies elected on behalf of the Communist Party of Czechoslovakia [CPCZ] and has a seven- member leadership. Vasil Mohorita has been elected as the club's chairman.

The first meeting also dealt with the club's status and role as well as with the activity of Communist deputies [illegible] parliamentary functions. Based on the results of the negotiations to date, the CPCZ should have a six-member representation in the 40-member Federal Assembly Presidium, two committees should be chaired by CPCZ deputies, three other Communist deputies should be proposed as committee deputy chairmen, and two should be proposed as secretaries. Lawyers, in particular, are strongly represented; a smaller group is made up of economists, representatives of state adminisration, science, and culture. In accordance with this arrangement, the deputies were also briefed on the proposals for their involvement in individual Federal Assembly committees.

Christian, Democratic Deputies Club Forms

AU2806080090 Prague LIDOVA DEMOKRACIE in Czech 26 Jun 90 p 1

["(b)"-signed report: "Czech National Council Constituent Meeting Today"]

[Text] Czech National Council deputies will meet today for the first time at the constituent meeting of the highest Czech representative body. Yesterday they were presented certificates of election by J. Psenicka, Czech Election Commission chairman. The Christian and Democratic Union deputies also established their club yesterday in the presence of brother J. Kana, Czechoslovak People's Party first deputy chairman. At the beginning of the meeting, brother St. Hanak congratulated them on being elected in the first free elections and he stressed the responsibility of each member of the new parliament for implementing democratic principles in society's life. The club of Christian Democratic Union deputies, composed of the coalition partners running on ticket No. 23, then elected its chairman—Eng. J. Kasal (Czechoslovak People's Party), its deputy chairman—A. Prochazka LL.D. (Christian Democratic Union), and its secretary (who does not have to be a deputy)—brother J. Rubin. Other members of the club's leadership are deputies M. Benda (Christian Democratic Union), and J. Dusek (Free Farmers Party).

Christian Parties Establish Deputies Club

AU2806130690 Prague LIDOVA DEMOKRACIE in Czech 27 Jun 90 p 1

["(B)"-signed report: "A Club of Christian and Democratic Union Deputies"]

[Text] Deputies elected on behalf of the Christian and Democratic Union in Bohemia and Moravia held a meeting yesterday on the eve of the Federal Assembly constituent session in order to establish a joint club. Everyone was present, including brother J. Bartoncik who participated in part of the proceedings as far as the time permitted by his doctor for the visit allowed him. The deputies discussed the preparations for today's session and, among other things, the draft electoral regulations. They also made the point that it was incorrect to abolish the parliamentary committee for agriculture and food. Dr. Vaclav Benda (Christian Democratic Party) and Dr. Stanislav Hanak (Czechoslovak People's Party) were elected to the club's leadership with the proviso that they will alternate in chairing the club. V. Benda will be the club's chairman for the very near future.

Moravian Movement Expects Representation

AU2606141290

[Editorial Report] Prague RUDE PRAVO in Czech on 23 June on pages 1 and 2, under the headline "I am a Moravian," carries a 1,000-word interview with Engineer Bohumil Tichy, a member of the Movement for Self-Governing Democracy—Society for Moravia and Silesia Central Committee, by Evzen Stanek. The movement came third in the Czech National Council, fourth in the Federal Assembly Chamber of People, and fifth in the Federal Assembly Chamber of Nations as a result of the general elections.

When asked where he sees the basis for the movement's success, Tichy replies that this "obviously lies in our movement's civic structure and in its specific program." He criticizes the press, in particular LIDOVE NOVINY, for the way it depicted the movement during the election campaign.

Stanek is interested in Tichy's views on a territorial system for Moravia. According to Tichy, "The territorial system corresponds to the principle of self-governing democracy. I believe that it is necessary to compound this with the regions' history and development which also have specific economic characteristics."

Another question concerns the assertion of Moravian and Silesian economic independence. The Moravian movement's chairman states that it wants "the formulation of principles for just distribution, especially in the state budget. We have already worked out the basic requirement—balance between the functions of the budget and its other parameters." He rejects the claim that Moravia has received preferential treatment in the past and adds that "Moravia forms part of the discrimination against the entire state by totalitarian centralism."

Stanek wants to know if the movement expects representation in the government. According to Tichy: "We envisage participation in the government, particularly in the Czech Government. We campaigned in five regions in the Czech Republic; perhaps, it would be less correct to demand participation in the Federal Government." He concludes the interview by refusing to divulge what ministerial posts the movement is aiming to fill.

GERMAN UNIFICATION

***Notice to Readers:** Reportage on German unification may also be found in the Federal Republic of Germany section of the West Europe DAILY REPORT and pertinent sections of the East Europe JPRS Report. Third country comment is published as available in the appropriate DAILY REPORT or JPRS publication.*

Honecker Charged With Murder for Border Policy

LD2906132190 East Berlin ADN International Service in German 1253 GMT 29 Jun 90

[Text] Berlin (ADN)—Gunter Seidel, the acting GDR state prosecutor, has submitted charges of murder against Erich Honecker, former chairman of the National Defense council, in connection with the shoot-to-kill policy and automatic firing devices and mines on the border. The press office of the GDR State Prosecutor's Office informed ADN of this today.

In addition to this, the current investigations into individual soldiers and into identifying the latter with a view to their criminal responsibility are to continue. The statement adds that assurances of immunity from prosecution, which reports in Western media claim have been made by Senior Military Prosecutor Colonel Boesel, are thus out of the question. The latter merely referred to the complex nature of the investigations and the fact that criminal guilt could only be determined after the conclusion of the investigations.

In any case, these investigations refer to evidence which has been handed over by state prosecutor's offices from the FRG by means of judicial assistance. Further evidence is to be handed over in the near future.

Ministry Denies Report on 'La Belle' Attack

LD2806225490 East Berlin ADN International Service in German 1946 GMT 28 Jun 90

[Text] Berlin (ADN)—The GDR's Interior Ministry this evening denied a report by STERN according to which Interior Minister Peter-Michael Diestel intends to make available files on the explosives attack on the West Berlin bar "La Belle" to the West Berlin interior senator. The STERN report does not correspond to the facts, says a statement conveyed to ADN. It is not possible to hand over the files for legal reasons. The necessary measures for cooperation between the criminal investigation bodies in East and West Berlin are set up in accordance with the existing legal situation.

De Maiziere Foresees Unification This Year

LD2906080990 Hamburg DPA in German 0316 GMT 29 Jun 90

[Text] Berlin (DPA)—GDR Prime Minister Lothar de Maiziere expects the unification of the two German states to take place before the end of this year. As de Maiziere told the East Berlin daily NEUE ZEIT on Friday, he is confident that by the end of the year all the internal and foreign policy problems of unification will be solved to such an extent that "this watershed in the history of our people" can be carried out "on a sound basis". Before then a compromise acceptable to all sides has to be worked out at the two-plus-four negotiations.

The prime minister also gave an assessment of his foreign trips to Moscow, Washington, Paris, and London. "It was important for me to make it clear that there are two states which are voluntarily coming together to become one people again, but which still have differences as well as shared elements." As de Maiziere went on to say, he heard no fundamental objections from any side.

De Maiziere on Drafting of Second State Treaty

LD2906080690 East Berlin ADN International Service in German 0637 GMT 29 Jun 90

[Text] Berlin (ADN)—The coalition committee will be setting out a detailed framework for the content of the second German-German state treaty next week. This was stated today by GDR Premier Lothar de Maiziere at the start of the 19th plenary session of the GDR People's Chamber in response to a question from the opposition Party For Democratic Socialism parliamentary group. The government chief denied that a draft already existed in Bonn for a second treaty. He was able to confirm that initial talks had taken place between the two German states "on the possible substance of such a treaty." It was certain, De Maiziere stated, that property questions, insofar as they are addressed in the political statement by the FRG and GDR Governments, "should be regulated in a legally stable form."

De Maiziere Positive on Economic Union

LD2806192890 Hamburg DPA in German 1839 GMT 28 Jun 90

[Text] Berlin (DPA)—GDR Prime Minister Lothar de Maiziere has "overwhelmingly positive" feelings about the 1 July introduction of the economic and monetary union in the GDR. In an interview for the GDR news broadcast "Aktuelle Kamera," he described the opportunities resulting from the state treaty as considerable. He admitted that it is also linked with serious problems.

He is not satisfied with the present supply situation, just a few days before monetary union. He referred to the often empty shelves in GDR shops, where it is often impossible at present to buy important consumer goods. With regard to the talks on the second state treaty between the FRG and the GDR, de Maiziere said the property question must be firmly embedded in it.

Stasi 'Special Operations' To Be Investigated

LD2806235190 East Berlin ADN International Service in German 2231 GMT 28 Jun 90

[Text] Berlin (ADN)—Last night a list with the names of approximately "2,000 officers in special operations"

(OIBE) was "completed in haste" and was given in the morning to the responsible People's Chamber special commission. The newspaper DER MORGEN reports in Friday's edition that in the meantime this commission, together with the citizens' committee, was investigating intensively all the OIBE facts. "Here, it is above all a question of the so-called 'blue-card files on pay,' from which the most of the MFS [Ministry for State Security] secret officers are to be investigated." However, according to the newspaper there were "serious suspicious circumstances suggesting that important documents...have disappeared from the Central Records Office in Normannenstrasse in Berlin."

Under the header "Diestel is Deceiving the Public" the newspaper refers to the fact that according to Minister of the Interior Diestel, all the officers had been discharged from their public duties, but they "are still working in GDR management:" "All OIBE are still at their jobs today, they have contracts and are sitting in high-ranking positions," the newspaper quotes Klaus Wendler from the State Committee for the Disbanding of the MFS as saying in the article.

According to the newspaper, Diestel's press spokesman Werner Twarog admitted that up to now the Ministry of the Interior did not have the list with the names of former OIBE. It was "quite possible that some of them are still in office, even in positions in the economy."

State Secretary Proposes Army Limit at CSCE

AU2806185790 Vienna Domestic Service in German 1600 GMT 28 Jun 90

[Roland Machatschke report]

[Text] The two German governments should issue a joint statement on the self-limitation of the future German armed forces. With this proposal GDR State Secretary Marczinek surprised the delegates of that CSCE conference, at which NATO and Warsaw Pact discuss the reduction of nonnuclear arms.

He did not want to give any figures, but he said that the USSR proposal—an upper limit between 200,000 and 250,000 men—is unacceptable. According to suggestions by politicians and military experts from both German states, they can imagine a troop limit of 300,000 to 350,000 men as a realistic figure.

The following could be the schedule until the end of the year: Next week a NATO decision on expanding the mandate for the Vienna negotiations, where at the moment only the reduction of U.S. and Soviet troops in Europe is discussed; draft of a treaty on the renunciation of force between NATO and Warsaw Pact; and, by the CSCE summit in Paris in November, clear statements on the strength of the future all-German armed forces.

With this the West hopes to eliminate the USSR's reservations and also to abolish the—as GDR State Secretary Marczinek said, and I quote—historically founded security reservations of the neighbors of a united Germany, unquote.

Defense Minister on Unifying German Armies

LD2806121290 East Berlin ADN International Service in German 1125 GMT 28 Jun 90

[Text] Berlin (ADN)—Disarmament and Defense Minister Rainer Eppelmann has noted his agreement with his FRG counterpart on the principle: one people, one government, one parliament, and one army. At a meeting with a delegation of the Defense Committee of the British House of Commons, headed by Michael Mates in Strausberg on Thursday, the GDR politician reaffirmed this position, says a statement issued by the Ministry of Disarmament and Defense.

In Eppelmann's view, however, there must still be discussion on the period during which the unification of the armies could take place. It was clear both armies would have to be reduced, also in terms of numbers. But the reduction could not occur almost exclusively at the cost of the National People's Army. At the same time, security considerations must be seriously taken into account, above all the justified interests of the Soviet Union, Minister Eppelmann stressed at the meeting, which also focused on the shaping of relations with the partners in the Warsaw Treaty.

Afterward the British parliamentarians met with the chief of the Main Staff of the National People's Army, Lieutenant General Manfred Graetz.

Government Rules on Trade With CEMA Noted

LD2806163690 East Berlin ADN International Service in German 1545 GMT 28 Jun 90

[Text] Berlin (ADN)—Beginning in July, the GDR Council of Ministers will regulate trade with CEMA countries by utilizing several decisions, the Economic Ministry announced to ADN today. Foreign trade accounting with these countries will continue to be in transferable rubles in the second half of the year. For internal accounting purposes the exporting enterprises will receive Deutch marks for exports and will also have to pay Deutsch marks for imports. The valid rate of exchange will be one transferable ruble to DM2.34.

The government also stipulated that with the implementation of monetary union, the system to date of state subsidies for losses and the skimming off of profits from foreign trade will cease. In accordance with Article 13 of the state treaty, agreements in treaties with CEMA countries will observed. In well-founded cases, applications can be made for financial aid in fulfilling export agreements concluded with these countries. Such applications or inquiries are to be sent to the Office for Foreign Trade at the Ministry of Economics, Leipziger Strasse 5-7, 1080 Berlin.

People's Chamber Calls for Rescinding Import Tax

LD2806204490 East Berlin ADN International Service in German 1756 GMT 28 Jun 90

[Excerpts] Berlin (ADN)—A majority of the People's Chamber today called on the GDR Government to rescind the planned introduction of a special 11% tax on imported Western consumer goods. A relevant motion was put forward by the Liberal parliamentary group.

In making the motion, it was stated that the aim of protecting GDR products and thus future jobs is illusory because no specific protection of this nature could be afforded. A special tax would necessarily lead to an artificial price increase on imported goods and thus to undesirable purchasing patterns. People could easily circumvent this by shopping in West Berlin and areas bordering on the GDR. [passage omitted]

Labor Minister On Impact of Factory Closures

PM2806145090

[Editorial Report] London BBC Television Network in English at 1730 GMT on 17 June carries a 20-minute report on "The Money Programme" about East German industry in competition with the West. Interior scenes from East German manufacturing plants of radios, semiconductors, and automobiles are shown. The report includes interviews with East German company presidents, West German bankers, and experts on monetary unification. At the East German Ministry of Labor, correspondent Nisha Pillai interviews Minister Regine Hildebrandt, who speaks in German with superimposed English translation.

Hildebrandt says: "We cannot allow 40% of all firms to close down at a stroke, putting one in three of the population out of work. We'll need programs and subsidies for some time in order to prevent such an escalation of unemployment. There's no other way—we will have chaos in July if it doesn't happen." Over video scenes of textile workers on a protest march, she adds: "We've already had indications in the last few weeks of what could happen here. There have been demonstrations organized by agricultural workers, the shoe industry, and the textile industry. It must not be allowed to get out of control. We must receive subsidies for some time or there'll be real turmoil in East Germany."

Committee Chairman on GDR Media's Future

LD2806110590 East Berlin ADN International Service in German 0940 GMT 28 Jun 90

[Text] Berlin (ADN)—Juergen Schwarz, chairman of the People's Chamber Media Committee, has expressed himself in a "broadly positive" way on the future prospects for the GDR radio and television stations, a press release from the DSU [German Social Union] group in the People's Chamber states. However, employees have to come to terms with the new laender structure and, the release says, seek greater objectivity in reporting, because much is still wrong with many radio and television broadcasts.

There are inevitably still going to be large-scale dismissals, but he hopes that "the compromised people in top positions will be got rid of first." The media committee will take care to ensure that the workers who tried to achieve reform in radio and television at an early stage need have no fear about their jobs. Critical and objective reporting does not mean "parroting" some party or even the present GDR Government.

TV, Radio Employees Demonstrate Against Cuts

LD2806170690 East Berlin ADN International Service in German 1618 GMT 28 Jun 90

[Excerpts] Berlin (ADN)—Employees of German Television, GDR Radio, and representatives from Berlin press organs this afternoon demonstrated in Berlin's Alexpanderplatz for the retention of these media as institutions with new structures.

The organizers stated that around 10,000 people took part in the demonstration, which was staged by youth trade union councils from the two broadcasting organizations. A number of speakers demanded independent concepts for the future of the media and the maintenance, as far as possible, of jobs in radio and television. [passage omitted]

'Democracy Now' Seeks Alliance With Greens

AU2706140890 East Berlin BERLINER ZEITUNG in German 25 Jun 90 p 2

[ADN report: "Democracy Now Seeks Alliance With Greens"]

[Text] Dresden—Democracy Now wants to get into the future all-German Parliament. In order to avoid being forced into opposition outside parliament, the citizens' movement made clear statements concerning a coalition with the Greens in East and West. Together with them and other political action groups, a platform is to be established for the all-German elections, which are still expected to be held this year. This was decided over the weekend [23-24 June] by approximately 100 delegates at the Fourth Congress of Representatives of Democracy Now in Dresden. On a regional level, Democracy Now wants to cooperate more closely not only with the Greens Party, but also with New Forum and the Peasants Association. A motion of no confidence against [Democracy Now Chairman] Weiss was rejected by a great majority.

Kadar Calls for Radical CEMA Restructuring

LD2806224490 Budapest MTI in English
2141 GMT 28 Jun 90

[Text] Moscow, June 28 (MTI)—Bela Kadar, minister of international economic relations, Hungary's permanent representative at the Council of Mutual Economic Assistance (CMEA) [CEMA], was assessing the work of the committee responsible for outlining new tasks of the CMEA, at a Thursday press conference held at the Moscow headquarters of the organisation. Mr. Kadar is in charge of the said committee.

Speaking about the progress of the work, Mr. Kadar said the expert group of the special committee drafted its proposal on the concept of the new type of cooperation. The essence of the draft is to motivate member states to open their economies to world economy. According to the draft it is a fundamental endeavour to bring in harmony the cooperation within the CMEA with the social, economic changes taking place in the member states, and to respond to challenges of the new age.

The committee proposes that each of the cooperating countries should build their own market economy mechanism, convert to world market prices, and create conditions for convertibility of their currency. Accounting of trade between the members states should be made in convertible currency.

The former structure of CMEA cooperation should undergo a radical transformation. Furthermore, experts are studying the statutes and operation conditions of a possible organisation to succeed the CMEA, Mr. Kadar said in conclusion.

Kadar Reportedly Knew of 'Terrorist' Visits

LD2906075490 Budapest Domestic Service
in Hungarian 0700 GMT 29 Jun 90

[Text] The 19 secret files of international terrorists staying in Hungary were transported yesterday [28 June], under strict guard, from the National Security Office to the Chief Prosecutor's Office. NEPSZABADSAG confirms that Karoly Ladvanszky, retired police lieutenant-general and deputy interior minister, was the informer to Interior Minister Balazs Horvath in the so-called Carlos affair. According to the newspaper, Janos Kadar also knew that internationally wanted terrorists had entered Hungary several times using false passports, and that they had been here for varying periods of time. One of the most well-known West German terrorists, one of the founders of the Red Army Faction, Ulrike Meinhof, was also a guest in Budapest in the 1970's.

Romania Asked for 'Satisfactory' Report on Unrest

LD2906105590 Budapest Domestic Service
in Hungarian 1000 GMT 29 Jun 90

[Text] The Hungarian Foreign Ministry has asked the Romanian leadership in a note to provide satisfactory information on the Bucharest events of mid-June. The Foreign Ministry spokesman told the press that they do not consider the message that Prime Minister Petre Roman sent the Hungarian premier on the matter to be satisfactory. The note handed over to the Romanian ambassador in Budapest points out that the Hungarian Foreign Ministry has already outlined its position on the Bucharest events in mid-June. The Hungarian view remains that elements of the March events in Tirgu Mures and the June events in Bucharest are identical.

Jeszenszky Calls Europe 'Continent of Regions'

AU2706155990 Belgrade BORBA in Serbo-Croatian
25 Jun 90 p 10

[Report on "exclusive" interview with Foreign Affairs Minster Dr. Geza Jeszenszky by Gordana Logar in Belgrade; date not given: "A Time of Liberated Nationalisms"]

[Excerpt] [passage omitted] [Logar] If we were to accept your assertion that Hungarians should maintain links among themselves and nurture their culture, as a program, does this mean that the minorities in Hungary would have the same rights as Hungarians who are minorities in other countries? The criteria is, therefore, not unimportant.

[Jeszenszky] I am glad that you asked that, because I want to explain that I do not support reciprocity in the sense that I will give as much as you, and that I will deprive you of what you do not give. I am a supporter of common moral, human, philosophical, and practical approaches—just as the five countries, including yours and mine, presented themselves in a joint statement on the rights of minorities at the CSCE conference in Copenhagen. I think that we must both adhere to this, because each of us is interested in our own minority in another country, and all five of us have them.

[Logar] The impression, however, is that apart from disagreements because of what you call liberated nationalisms, virtually no country is completely happy with their borders and invoke history in this respect. Could it happen that at the second Helsinki conference, someone will initiate talks about this because it is clear that everyone is obliged not to do something similar by using force?

[Jeszenszky] There is some irony in these border talks. You know that if one invoked history, not one border would be fair, but happily we live at a time when borders will be less and less important. Just look, people are talking about the European federation and the regions within it, which is becoming a reality in one way or another. Is a border then a line of division? Of course, I do not discount the possibility of someone thinking differently in Helsinki. This causes me to say that I think that there is a sort of irony that everything in the modern world is based on history.

[Logar] Does this mean that when you were speaking about relations with Slovenes, Croats, and Serbs in your parliament, even before you became a minister, you actually had in mind this regional option, because it could have been understood differently?

[Jeszenszky] I am sorry if there was some misunderstanding on account of this. That was only an explanation of the historical and cultural links between Hungarians and Croats, for example, not a negation of the Yugoslav state, too. I would like that to be understood.

[BORBA] Finally, Dr. Jeszenszky agreed that recent historical and even present-day connections have also always existed between Hungarians and Serbs in Vojvodina, for example.

[The following passage appears boxed within the body of the item]

Federalists

[Logar] You recently announced that Europe is a "continent of regions."

[Jeszenszky] That does not mean that I am neglecting the entirety of one country, which you can never neglect, but feelings of affiliation to the homeland exist. A Bavarian, thus, likes to say that he is a Bavarian and a Prussian that he is a Prussian, despite the fact that after unification, Germany will be one huge country. In this respect, many provinces have been together historically, and they have had a common life and similar cultures, leading them to want links with each other, even though they are now in different states.

If one also adds to this the economic element and other regional links on European soil, then this really can be called a "continent of regions," which will be one of the characteristics of European federalism. I know that many young people associated in the young European federalists movement—and they have many supporters among older Europeans also—think in this way. They have also been to see us in Hungary, and I have had talks with them. I am well acquainted with this movement!

Soviets To Set Up Troop Withdrawal Commission

LD2706213590 Budapest Domestic Service in Hungarian 2000 GMT 27 Jun 90

[Excerpt] [Announcer] A government commission is being formed in the Soviet Union to sort out the matters concerning troop withdrawals from Hungary. Our reporter Jozsef Barath reports:

[Barath] A Soviet Government commission must be formed urgently, so that it will not be the soldiers who have to argue with the Hungarian Government on the material consequences of the troop withdrawals. This was stated on Soviet television by a member of the Moscow parliamentary delegation which conducted investigations in Hungary in recent days. The piquancy of the report is that yesterday viewers could see a report from Czechoslovakia of different content on a similar topic. According to reports, however, the committee left us [Hungary] to go to Czechoslovakia.

While in the Hungarian report, tended parks, swimming pools, and modern dwellings were shown, clips of derelict buildings were shown from Czechoslovakia, and the reporter there said that the possible problems regarding the troop withdrawal had not even been taken into account. The Soviet parliamentary deputy who spoke in Hungary said, however, that the Soviet Union could not concede even a kopek from its 50 billion forint demand. [passage omitted on Shevardnadze interview to 26 June PRAVDA on troop withdrawal decision]

Goncz Receives Polish Ambassador, Presents Award

LD2806170490 Budapest MTI in English 1519 GMT 28 Jun 90

[Text] Budapest, June 28 (MTI)—Arpad Goncz, interim president of the republic, received in parliament on Thursday Tadeusz Czechowicz, ambassador extraordinary and plenipotentiary of the Republic of Poland to Hungary, who is to leave hungary in the near future.

In recognition of his successful activity in promoting political and economic, cultural and scientific relations between Hungary and Poland, the interim president awarded Tadeusz Czechowicz with the Order of the Star adorned with a golden wreath of the Republic of Hungary.

Receives CSFR Ambassador

LD2806204790 Budapest MTI in English 1814 GMT 28 Jun 90

[Text] Budapest, June 27 (MTI)—On June 28, Arpad Goncz, interim president of the Republic of Hungary, received Rudolf Chmel, new ambassador extraordinaryand plenipotentiary of the Czech and Slovak Federal Republic to Hungary, who presented his credentials.

Government Sets Energy, Social Benefit Prices

LD2906084290 Budapest Domestic Service in Hungarian 0800 GMT 29 Jun 90

[Text] The government has decided on measures to raise prices. At the Council of Ministers' session, which stretched into the night, it was decided that the price of coal would be raised by 45 percent, the price of coke by 35 percent, and the price of propane-butane gas by 30 percent. Agricultural waste briquettes will be 30 percent more expensive, piped gas will be 27 percent dearer, and district heating will be 42 percent more expensive. The cost of electricity will remain unaltered in the villages. In small towns it will go up by 19 percent, and in the large cities, including Budapest, it will increase by 44 percent. The nighttime rates for electricity will also be 44 percent more expensive. The cost of gasoline will go up 20 percent, that of gas-oil will increase by 30 percent, and that of cigarettes and spirits will go up by 25 percent.

Because Hungary is switching over to dollar-accounting with the former socialist countries, the cost of travel to these countries by rail and air will increase. The government also decided that it will submit to parliament a

2.5-billion-forint social policy package plan. On the basis of this, family supplements would increase by 100 forints per child beginning in August. The minimal pension will be 5,000 forints. The government proposes a 300-forint increase for disability pensions in Groups One and Two, for the minimal child-care fee, and for child-care assistance. The justification the government gives for the price increases is that according to the agreement concluded with the International Monetary Fund, the Hungarian budget deficit cannot exceed ten billion forints.

International Economic Relations Ministry Tasks

LD2806215590 Budapest MTI in English 1902 GMT 28 Jun 90

[Text] Budapest, June 28 (MTI)—The sphere of tasks of the Ministry of International Economic Relations has by now crystallised, and necessary organisational conditions have also been established. This was reported by Janos Martony, state secretary of the ministry, who was talking to newsmen at a Thursday press conference.

The methods of intervening by the state in foreign economy activity also remains to be adjusted to changed conditions, and the first step in this direction was already taken through the abolishing of foreign trade monopolies.

The ratio of products falling in the area of liberalised trade is expected to reach 85 per cent in 1991. The system of permitting exports and imports should be cut back and parallel to this the conditions for gaining access to foreign markets should be improved. One of the most sensitive aspects of economy is the future of relations with the former socialist countries, in Mr Martony's view.

Staff of the new ministry—the successor to the Ministry of Trade, with a workforce of 600—is due to be reduced by 15 per cent.

Gypsy Organizations Form National Body

LD2806220990 Budapest MTI in English 1936 GMT 28 Jun 90

[Text] Budapest, June 28 [MTI] - The highest organ of the Gypsy community in Hungary, the Nationality Council of Gypsy Organisations in Hungary, was formed on Wednesday [27 June] by the Social Democratic Party of Gypsies in Hungary, the 100 member union of the Budapest Gypsy Band, the Gypsy Workers' Federation and the Baranya County Cultural and Education Union. The new organisation was joined by the Justice Party of Hungarian Gypsies as well.

The highest organ of the Gypsy community intends to fulfil the minority's complex interest representation, by way of fully respecting the sovereignty of Gypsy organisations and their autonomy. The top organisation demands proportional parliamentary representation of Gypsies.

The council wishes to nominate its own representatives at the forthcoming municipal elections. It will require financial assistance during the elections, including publicity, due to each of the parties running in the elections. The council expresses its intention to operate as an organisation free of any party influence.

New Joint Austrian-Hungarian Publication

LD2806170390 Budapest MTI in English 1545 GMT 28 Jun 90

[Text] Budapest, June 28 (MTI)—A new daily, entitled KURIR, is soon to appear on Hungarian newsstands in two editions a day—in the morning and early in the afternoon.

The paper, a joint Austrian-Hungarian publication, was introduced to the press on June 28.

The tabloid-style publication will have an initial circulation of 80,000 in the morning and 60,000 in the afternoon.

The paper's staff will not be allowed to hold any post in any party, or work for any other paper. Telephones will be monitored by a computer, and they will not even be allowed to take blank sheets of paper home.

Walesa, Geremek Depart for Vienna Conference

Walesa Advocates Split in Solidarity

AU2806191390 Vienna Domestic Service in German 1600 GMT 28 Jun 90

[Michael Kerbler report on Solidarity Chairman Walesa statements upon arrival at Vienna Schwechat Airport on 28 June—Walesa statements recorded in Polish with passage-by-passage translation into German]

[Text] Since the break of prominent Solidarity intellectuals with Lech Walesa, who accuse him of an authoritarian style of leadership and of endangering the government's work, a split in Solidarity seems to be inevitable. Lech Walesa himself also considers such a split unavoidable, even necessary. His argument: The revolutionary phase in Poland has been concluded. Now it is necessary to preserve the pluralism of society in the country.

[Begin Walesa recording] Many revolutions, which ended with a dictatorship worse than the one before, made this mistake. In order, therefore, to preserve its beauty, Solidarity has to split and to establish pluralism. This pluralism will make sure that we will not have an unpleasant revolution. If there are Solidarity citizens' committees, Solidarity newspapers, and the elections for Solidarity, it will be another monopoly. Of course, this is not dangerous at the moment, because honest people are at work here. People such as Prime Minister Mazowiecki, Geremek, or Michnik will hardly make any major mistake. However, after them others may come, like Stalin followed Lenin, and they may assume the places established by the system. Then they would have the chance to destroy this revolution. [end recording]

He would rather pursue his hobby, fishing, Walesa said, but he added:

[Begin Walesa recording] This means, I do not want to become president, but fate always does things wrong, and I will have to become president. Why? Because I cannot evade responsibility. I cannot simply pack my toys and go fishing when I have to work. This means that I will not struggle for this office, but if it becomes necessary, I am ready. [end recording]

Thus, two Solidarity groups will enter the next parliamentary elections, which might be advanced to autumn, two parties whose members once stood shoulder to shoulder, fighting the communist military government during the days of the revolution. From today's viewpoint, Lech Walesa has good prospects of becoming Poland's next president.

Walesa Warns of Public Dissatisfaction

LD2806200990 Warsaw Television Service in Polish 1515 GMT 28 Jun 90

[Text] Solidarity Chairman Lech Walesa and Professor Bronislaw Geremek left today [28 June] from Gdansk and Warsaw, respectively, for Vienna for the conference, Central Europe on the Road to Democracy.

[Begin recording] [Walesa] There was great interest on the part of the West when communism, particularly Soviet Communism, existed. Then they were very interested in us. They very much wanted to and did help. They were very involved. Now when it is all crumbling, we are getting on with our affairs and they have left us out in the cold. That is why attention must be paid to the fact that it is dangerous, that we could all pay a high price for it, that we are threatened by movements of large public dissatisfaction alongside the ineffectiveness of the reforms, as the reforms, in turn, are encumbered by our debts from the previous governments.

[Geremek] I think the subject of our talks and debates will be the question on the interim period from a totalitarian system to a democratic one, and in this period political parties, political and social movements, are naturally being formed. We have gained democracy by a great, spontaneous public act of solidarity. Now the problem is how we are going to build it further. I would not like to reply to you in a banal way, that I am an optimist. I quite simply know that it has to succeed. The problem is only that all the groups, everyone, has a feeling of responsibility for the fate of the state, like the feeling that accompanied us from the first days in the Gdansk shipyard in August 1980. [end recording]

Walesa News Conference

LD2806214690 Warsaw Television Service in Polish 1730 GMT 28 Jun 90

[Report on news conference by Solidarity Chairman Lech Walesa upon arrival in Vienna on 28 June]

[Text] Lech Walesa has opened the international conference entitled Central Europe on the Road to Democracy in Vienna. A delegation of some 12 or so members from Poland are among the more than 100 participants taking part in it; apart from Lech Walesa there is Bronislaw Geremek, Aleksander Hall, Adam Michnik, and others. Here is a fragment from Lech Walesa's news conference organized directly after his arrival in Vienna:

[Begin Walesa recording] In my country I am the leader of a trade union. So of course I have to take into consideration the feelings and interests of the people who chose me as their leader. It cannot be a cause of satisfaction for me when the masses are unhappy. Of course I do, or at least I did have, a hand in shaping all these reforms. We have to make it possible for the government to carry out the reforms, but we must not forget the feelings and sentiments of the people. It was possible for me to advance and to find myself in a different position, and yet I did not; I remained a trade union leader. I remained a trade union leader because I expected that the reform process would be extremely difficult. From that position as a trade unionist, being directed by the feelings of the masses, I say that the reforms are moving too slowly. The people are dissatisfied, but I say it not to upset or overthrow the government, or to destabilize it, but so as to get across the feelings of the masses. [end recording]

Poll on Perceptions of Political 'Split,' Unity

AU2806123690 Warsaw RZECZPOSPOLITA in Polish 26 Jun 90 p 3

['J.R.'-signed report: "Unity or Split?"]

[Text] The Public Opinion Research Center has conducted a poll on the subject of the present split forming in the Polish political scene. Two-thirds of the respondents considered the differences to be so large that one can no longer consider the former opposition to be a single political force.

Asked whether unity or a split is better for Poland, 42 percent of the respondents said unity, and 36 percent said split. Fifty-eight percent of respondents with higher education think that a split is essential, but only 25 percent of respondents with elementary education shared this view. However, 43 percent of the respondents with elementary education supported unity, but only 36 percent of respondents with higher education thought so. The opinions of respondents belonging to Solidarity were no different from the opinions of others.

Asked whether the former opposition centered around Lech Walesa is a united force, 18 percent of respondents said yes, and 68 percent said the differences are so big that one cannot talk of unity. Half the farmers that were polled, two-thirds of the workers, three-quarters of the low-ranking white-collar workers, and 81 percent of people with higher education thought that there is no longer a single political force. Fifty-three percent said that is bad, and 38 percent said it is good. Support for the political split increases in line with the level of education; 30 percent of respondents with elementary education supported the differences, and 57 percent of those with higher education did so. Therefore, the higher the education, the higher the appreciation of emerging political differences, and the greater the number of people who think it is good for the country. People with higher education seem to have a better understanding of the essence of democracy.

Solidarity's Boni on National Commission Meeting

LD2806132790 Warsaw Domestic Service in Polish 1005 GMT 28 Jun 90

[Interview with Michal Boni, Mazowsze regional chairman for the Independent Self-Governing Trade Union (NSZZ) Solidarity, by unidentified "Mornings Signals" program reporter after the National Commission meeting of NSZZ Solidarity in Gdansk; date not given—recorded]

[Text] [Reporter] Will there really be increases, and if so, will Solidarity agree to this?

[Boni] It seems to me that this depends on this day—today we have talks between the miners and Prime Minister Tadeusz Mazowiecki. For us, the KK [National Commission], it is obvious that coal, the price of coal, and the freeing of coal prices, is a key matter for this whole operation that the government is intending to carry through as of 1 July. If the miners agree to the reduction in the level of subsidies, or else to maintain them at the same level as they had previously, then this operation that the government proposes, of a shift in the budget so as to increase expenditures on housing policy, on territorial budgets, and on the support of social policy, will be possible. We are making our position during the negotiations with the government tomorrow dependent on what the miners attain today.

[Reporter] As I understand it, the union is acting as if it is radically changing itself. It is changing its stance toward the government. Previously, it was the case that the government more or less functioned under the umbrella of Solidarity. At the moment, it transpires that that is not so.

[Boni] The economic situation is ever harder and social tension, it seems to me, is also growing. In this situation, if we were to carry the responsibility for what is taking place, we would wish to be able to decide together. We are not deciding together, for neither our voice on the matter of privatization, nor many other of our remarks relating to economic changes have been made use of. In relation to this, in the statement we observe that we can bear only part of the responsibility, and our main aim is to haggle during these negotiations with the government. We understand that it is appropriate to free coal prices, for this is an economic rationale, an economic one. We understand that it is appropriate to change the structure of relations between the price of coal and the prices of other things, items. Simultaneously we are aware of the fact that if one wants to carry out this operation sensibly, if it is to serve society in the longer term, then something must be given in exchange. In exchange we propose compensation for these increases that will now be introduced, the increase of the indexation indicator, and something which is most important for us from the political point of view, that means the loosening of this, this (?restrictive) ring that lies on enterprises. For, even those enterprises that have profits, that have the chance of remuneration increases do not have any movement at the moment. If we were to succeed in this, then in our opinion we fulfill a role in stimulating pro-demand activity.

[Reporter] The increase in living costs after the increases?

[Boni] The government states that these will be minimal costs, between one-point-six and two percent.

[Reporter] And on your calculations?

[Boni] From our calculations, it transpires that this will surely be more, three to three-and-a-half percent, but I also want to very clearly indicate that the costs will not be greater than this. The problem resides in something very different. The problem resides in the fact that for the first time we will be dealing with changes in the price structure that mean that these costs will not be evenly distributed. That means that in this case precisely these costs really will be distributed unbeneficially for the poorest, and those who have the national average or above the national average will somehow be able to survive this. One more thing also: These costs will not be especially visible. Immediately after, after July these increases were to be introduced, for they do not include supply prices. One more clarification, because people say that the price of coal will go up and everything will go up. Now, the first movement after the freeing of the coal price will be that this coal price will fall.

[Reporter] Yes. Is it not altogether the case that there is more noise surrounding these increases than the whole matter is worth?

[Boni] The whole matter is worth a lot. In the sphere of chaos there is precisely as much as is necessary, but, on the other hand, I judge that this is the error that the government has committed. Insofar as it was to implement a fundamental change in the budget, they must do this because until 30 June they have the possibility of changes in the budget—they received such rights from the Sejm. So they should have been negotiating on this subject for about the last two weeks, and not just last week.

[Reporter] In the reports from yesterday's meeting in Gdansk there appears the word compromise—for instance ZYCIE WARSZAWY writes about a compromise between economics and resistance. Can one speak at all of something like this? Waldemar Kuczynski said that the costs of not carrying out the operation are rather too high. Will this compromise not be too much for us?

[Boni] You know, it seems to me that no [is the answer], because insofar as the start of the year is concerned, the stifling of inflation met with a kind of universal agreement, but at the level of emotions after all. Now it is necessary that there is such an agreement, such a consensus at the rationale level. If we speak of a compromise between resistance and economics, then this is not so as to destroy the economy or else disrupt it through some kind of external intervention, for this would be contrary to seeing a market reform, but so as to become conscious of what the social costs of certain phenomena might be. We are well aware of the fact that this kind of operation, associated with coal, will in any case be implementable. The social costs might be even greater in three, four, or five months time. The problem rests now on just finding a solution to the social tension that exists, so that this whole operation is not interpreted as a successive financial drainage operation. Kuczynski yesterday said that this is not a drainage action. I understand this economic rationale at this moment, but on the other hand, in the social consciousness there is so much confusion around this matter. Yesterday, I tested my wife in the late evening, after returning from Gdansk, asking her about how it will be with this budget, whether coal prices will raise. She of course replied as the press writes, television says, and unfortunately as the radio most often says, and was completely unoriented. As people do not know that this whole change is taking place so that there will be this budget shift of 15 billion zloties, so that 6 billion can go for housing policy, 6 billion for territorial budgets. If the miners now lose out, because the costs of coal have been written in for them, for example with the construction of the chairlift in Szczyrk, the payment of gas usage in the whole of one city, and a number of things like this, then they will regain this money from the territorial budget.

[Reporter] You have criticized the government for the deadline on the introduction of these increases, but this is surely a blind alley, for at the moment when these increases are announced the social mood worsens—that is, that here this relation between the social mood and the announcement of increases is always, well, unambiguous, so that it is difficult, so to say, to choose the moment when such increases will meet with social acceptance.

[Boni] You know, sir, we accept the position of the miners, because they are right. Changing these prices at the moment, and freeing coal prices from July, will cause coal prices to most probably fall, what with the enormous excess of coal we have in Poland at the moment, and in two months, many mines will be facing the problem of whether they have the money to pay basic wages. In view of the low price of coal, these prices may jump up in the winter, in the late fall, but for the moment they will be low.

[Reporter] One more question from a somewhat different direction, but also an economic one. Yesterday in Gdansk you demanded the calling of a Solidarity roundtable, an internal roundtable, so that, while dividing politically, this does not bury the Polish economy. Is this really already a [word indistinct]?

[Boni] You know, sir, I assess the events of the last few, last dozen or so days in terms of a state of political hysteria, a certain political madness. That was the atmosphere—I said this publicly yesterday—at the Citizens' Committee which took place on Sunday, when both sides succumbed to emotion. I realize that political divisions in a broadly conceived Solidarity movement are necessary, but the divisions have to be politically sensible. The divisions have to occur in accordance with a certain political concept, and not solely and exclusively in accordance with a desire for power. At the moment, a situation exists whereby a group which did not have significant influence up to now would like to push out those who did have considerable influence. Of course, this will happen, but since all these emotions are transfering both onto the Union, and above all onto economic affairs, in my opinion, enormous dangers arise precisely in relation to the economy and to certain changes which could be introduced here. That is why, on behalf of several colleagues, we presented such a demand, for such a roundtable to take place, in order to show that political divisions existed and will exist, but that in all respects they may be developed in a cultural atmosphere, and that at the same time this will not harm the economy—that is, there can be various economic arguments, but there will not be this demagoguery which now exists. I spoke yesterday of a self-fulfilling prophecy—for a month and a half now, it has been said that social tensions are rising, rising, rising. Well, of course, they are rising, but the more we say this, the more they will rise.

We would need to (? present) certain arguments, and I think that what the commission decided yesterday, that during negotiations, (? we) would be speaking of a compromise between the economy and (? resistance), is a good rendition of the atmosphere which now exists. We know what the economic arguments are, and we know the social arguments. Today and tomorrow, we will know what will come out of all of this.

[Reporter] Perhaps we will end here. Our's and your guest, ladies and gentlemen, was Mr. Michal Boni, head of the Mazowsze Solidarity Region. Thank you very much.

Solidarity's Kaczynski on Walesa-SD-PSL Meeting

AU2806133190 Warsaw RZECZPOSPOLITA in Polish 23-24 Jun 90 p 3

[Report on interview with Solidarity Deputy Chairman Lech Kaczynski by Alicja Balinska; place and date not given: "Renewing the Coalition"]

[Text] Various statements have been made on the Gdansk meeting between Lech Walesa and leaders of the Polish Peasant Party [PSL] and the Democratic Party [SD]. Today, we talk to Lech Kaczynski, who was a participant in the meeting.

[Balinska] If the meeting was between those who were parties to the coalition that established the Tadeusz Mazowiecki government in August of last year, then it is striking that the Citizens Parliamentary Club [OKP] was not properly represented....

[Kaczynski] Let us recall that it was rather the Solidarity union that was a party to the coalition at that point. The OKP did, of course, ratify the decisions that were adopted on behalf of chairman Lech Walesa and representatives of the United Peasant Party [ZSL] and SD leaderships at the time. So, you can say that Tuesday's [19 Jun] meeting was an affirmation of that formula, because the talks that led to the formation of the coalition were talks between the leadership of Solidarity, the SD and the ZSL.

[Balinska] Mr. Roman Bartoszcze recently announced that he was ready to leave the government coalition and to draw up a PSL alternative economic program. The realization of these aims would mean going over into opposition vis-a-vis the present government. If this kind of opposition were to grow, would Lech Walesa lead it?

[Kaczynski] It depends on what one understands by opposition. If we see the emergence of a political structure whose sole task is to support the government—the structure that is developing following the Krakow and Warsaw meetings—then I do not exclude the possibility that, being in favor of a different structure, Lech Walesa will in a sense be the leader of the opposition. If one takes opposition to mean changing the present cabinet and replacing it with a different government, then I do not think that this will happen, at least not in the short term. I do not think that Lech Walesa would today head an opposition whose task would be the formation of an alternative government.

[Balinska] What is your personal assessment of the meeting? The communique states that a formula for permanent working contacts was agreed.

[Kaczynski] At this stage, the formula for these contacts is still not a final. The various sides agreed that it would be useful to revive the contacts that existed in the fall of last year. This first—following an interval—meeting was very significant, because it indicated the direction of the activities being undertaken by union chairman and political leader Lech Walesa on the road toward strengthening pluralism in our country. There are suspicions that the "Center" movement is to become a monopoly political force. The people who level such charges see the situation as follows: First, Lech Walesa will become president and then those toward which he has said that he is favorably disposed and who, he says, have views close to his will become a new monopoly force that will create a situation in which it is the only group holding power. I think that the talks with the PSL and the SD along with the support that Lech Walesa has expressed for these groupings clearly indicate that this is about an entirely different question. It is a question of creating a system that is capable of functioning; a system that is not made up of a hundred groupings in parliament, but is, nevertheless, essentially pluralist. It is not without significance that both these groupings have representatives in parliament, and that they are the mainstays of the parliamentary majority.

So, to a certain extent, Tuesday's meeting was a renewal of the coalition and is also of significance for relations between the union leadership and the government. It should be remembered that we, in withdrawing from these relations early, gave the government a completely free hand. I think that the situation is now becoming normal once again. The political forces that established the government want to have some kind of influence on what the government does, despite the government's autonomy. Every government should be autonomous with respect to the concrete decisions that it makes in pursuing its current policies and should carry out its tasks by itself. However, there are certain limits to that autonomy, and it may be the case that parliament, in which various groupings are represented, will want to exercise more of an influence on what the government does.

[Balinska] In an interview for RZECZPOSPOLITA, the chairman of the SD Central Committee said that the Gdansk meeting was a warning signal. About what does Solidarity want to warn the government?

[Kaczynski] I think that if you can talk about a warning, then it concerns two areas. The first is the economy. We do, of course, understand the need to make sacrifices and society is making those sacrifices. We have to acknowledge that it will do so for some time to come. However, the point is this: Will the scale of these sacrifices—in light of the plans for new price hikes—not place too much of a strain on society's capacity for endurance? That is the first issue, and it is a union issue above all.

The second issue concerns the acceleration of reform: the acceleration of certain changes, the blocking of which is not only failing to stabilize the situation, but is even making the attainment of that stabilization all the more difficult, and poses a greater danger of destabilization than vigorous action aimed at advancing change.

PSL Chairman Meets Protesting Farmers

LD2806184990 Warsaw PAP in English 1635 GMT 28 Jun 90

[Text] Warsaw, June 28—Chairman of the Polish Peasant Party's [PSL] main Executive Committee Roman Bartoszcze met with protesting farmers at the Ministry of Agriculture here today.

Bartoszcze said that by the time a complex programme of policy in agriculture is worked out, it is necessary to immediately introduce minimum guaranteed prices of farm produce from this year's crops for the next three or four months. Bartoszcze pledged to convey such a stance to Vice-Premier Czeslaw Janicki and Poland's President Wojciech Jaruzelski.

"I held a telephone conversation with Mr. Lech Walesa who expressed his support for farmers' postulates and said that if the problem were not solved in the way satisfying farmers before his return from Vienna tomorrow, also he would put himself in the disposal," Bartoszcze said.

A delegation of Citizens' Parliamentary Caucus (OKP) met with protesting farmers and invited them for talks with the caucus at the Sejm.

Farmers Reject Government Stance

LD2806185390 Warsaw PAP in English 1640 GMT 28 Jun 90

[Text] Warsaw, June 28—The government pledged to undertake talks with protesting farmers if they leave the building of the Ministry of Agriculture and make it possible for the ministry to resume its normal work, such an information was conveyed by the ministry's senior official.

Asked by journalists about farmers' reaction to this, Chairman of Farmers' Protest Committee Wladyslaw Wrona ruled out that farmers could leave the ministry headquarters as this would be a defeat of the Polish countryside.

"However, we shall let in those who will arrive to settle our problems," Wrona said and added that farmers thanked the OKP for the invitation to talks but they did not see chances of solving their problems in this way. He also said that farmers expected OKP's support for their postulates and the form of protest.

Farmers Still in Agriculture Ministry

LD2906022190 Warsaw PAP in English 2331 GMT 28 Jun 90

[Text] Warsaw, June 28—Polish farmers, taking part in a protest since Wednesday, occupied the Ministry of Agriculture for the second day today, preventing employees of the ministry and other institutions in the building from entering.

The government side, despite an earlier announcement, did not resume talks with protesting farmers. A delegation of the Citizens Parliamentary Club OKP met with farmers and proposed, on behalf of the OKP Presidium, talks with representatives of farmers at the Sejm (Lower House).

However, these talks did not materialize as chairman of the protest committee Wladyslaw Wrona thanked the OKP for the invitation stating that he does not see any possibility for solving this matter this way.

Chairman of the Polish Peasant Party PSL Roman Bartoszcze is in constant contact with the protestors. During today's meetings in the buildings of the Ministry of Agriculture, Bartoszcze supported the postulates worded by protesting farmers.

PLS chairman told farmers that he talked with Lech Walesa on telephone, and the later expressed his support for farmers' postulates and stated he is returning from Vienna on Friday, and if the issues are not solved in a reasonable way satisfactory to farmers, he will also be available to them.

PSL Chairman Bartoszce, after talking to Deputy Premier Czeslaw Janicki, met once again with protesting farmers late tonight. Bartoszcze told protestors that the deputy premier will try to enter the building of the Ministry of Agriculture together with ministerial employees on Friday morning.

The chairman of the protesting committee replied that nobody will enter the building without their consent. I am convinced that no one will use force, said he.

Bartoszcze gave more details on earlier meetings with the president and premier. The PSL leader said that Premier Mazowiecki put things straight, that he will not give up on issues linked with guaranteed minimum prices and that there will be no talks as long as farmers are occupying the ministerial building.

President Jaruzelski was concerned over the lack of understanding on the part of the government of the situation which developed in Poland, said Bartoszcze.

Bartoszcze also explained that he did not manage to speak to the primate, but he will try to do it on Friday, as he does not intend to stop efforts aimed to solve the existing situation by political means.

Farmers Allow Janicki Into Building

LD2906085690 Warsaw PAP in English 0809 GMT 29 Jun 90

[Text] Warsaw, June 29—Farmers who are occupying the Agriculture Ministry for the third day running, let Vice-Premier and Agriculture Minister Czeslaw Janicki into the building this morning. Vice-ministers and department directors were also allowed to enter their offices.

The remaining staff of the ministry are waiting outside the building for the results of the negotiations with the protest committee.

Agricultural News Conference Reported

AU2906073090 Warsaw RZECZPOSPOLITA in Polish 26 Jun 90 p 2

[Edmund Szot report: "Semi-Optimism in Agriculture"]

[Excerpts] We do not know how much less synthetic fertilizers farmers have used for this year's crops, said Agriculture Vice Minister Henryk Antosiak at a news conference on 25 June. All we know is how much less fertilizer they have bought this year. Nevertheless, looking at the state of the crops, the decrease in fertilization has not been much. The rape, grain, and root vegetable crop is only between 0.2 and 0.3 points lower than last year, when vegetable crops reached a record figure.

This year, the farmers' greatest worry will be not so much the size of crops as the possibility of selling and utilizing them.

The rape harvest has already started in some of the 'warmer' voivodships. Its procurement will begin in a few days time. The size of the crop is reckoned to be between 1,100,000 tonnes and 1,150,000 tonnes. The rape procurement price that has been negotiated with the planters, between 1,100,000 and 1,300,000 zlotys per tonne, pleases neither the farmers nor the fats industry. The farmers think this price is too low compared to production costs, whereas the industry thinks it is too high on account of the envisaged demand for Poland margarine.

Rape exports earn us from $190 to $200 per tonne, and those enterprises that export it will be practically the only competitors for fat processing plants. [passage omitted]

In animal production, the most urgent problem is to normalize the situation in the dairy industry, for the situation here is drastic. In July about 50 percent of regional dairy cooperatives, of which there are over 300, lost their credit rating, or, in simple language, lost their ability to obtain credits. That is the result of the drastic fall in the demand for dairy products. Not even the fact that these cooperatives pay ridiculously low prices to milk suppliers, prices that are nowhere near production costs, can alleviate their situation. Therefore, milk suppliers are reacting the only sensible way: they are selling off their cows. [passage omitted]

A new model of dairy cooperatives and the dairy industry is called for, a model that is suited to market economy principles. Right now the dairy industry has to be rescued with emergency resources, in other words by increasing subsidies and improving the terms for the granting of credits.

Moves To Promote Private Sector Urged

AU2806144590 Gdansk TYGODNIK GDANSKI in Polish 24 Jun 90 p 3

[Piotr Dominiak article: "Our Mini Economic Program: Four Steps Forward"]

[Text]

1. Preferential Conditions for Entrepreneurs

So far, the reform effort has concentrated on ways of turning state property into private property. The private sector that is already in existence is being completely overlooked in all the discussion of privatization and in the privatization concepts that are emerging. It is tacitly assumed that it is faring splendidly. Although there is a lack of up-to-date statistical information on this subject, it is enough to take a look at what is happening around us. Many private businesses are failing to invest and are even (like state-owned business) scaling down production in order to weather these difficult times. The private sector is not faring that much better than the state sector.

If we really want people to invest in private business, then it is essential to create preferential conditions for the entire (and not just the new) private sector. Granting all sectors an equal status is far too little. So, private firms have to be given tax relief on the share of profits allocated for investment as quickly as possible. The tax on wage increases should be abolished as quickly as possible. It makes no sense whatsoever in the case of private enterprises, especially small ones, and just forces people to cheat.

These enterprises do not have to be "restructured" or pushed to the brink of bankruptcy to institute emergency measures "to put things rights" at some later date. After all, they are supposed to decide our future....

2. What Kind of Wage Curb Mechanism Should There Be?

The punitive taxation of state sector wage growth in its present so-called non-differentiating form has to change. It has caused output to fall, even in profitable enterprises. Wage growth opportunities cannot be the same for both weak and good enterprises. The emergence of a demand ceiling in the marketplace has diminished the danger of wage-growth fueling inflation.

The wage curb mechanism has to be linked to profit. It could, for example, resemble the mechanism for new economic entities that was in force last year. That mechanism allowed wages to rise within limits set by the fiscal offices for individual branches of the economy. These limits were derived from how wages stood in relation to the sum of wages and profits. It was far from ideal, but it did at least favor more efficient units.

3. The Transfer of Profits Abroad

The possibility of transferring barely 15 percent of profits abroad effectively deters foreign capital from engagement in Poland. We offer exceptionally poor conditions compared to many other countries. We are not the hub of the universe. No one is fighting to come here. We are humbly trying to coax people into investing in Poland.

We must either create conditions allowing 50 percent of profits to be transferred out of the country, or we should stop fooling ourselves and others into believing that it pays to do business in Poland.

4. A Revaluation of the Zloty

I consider the government's recent moves to boost imports to be right. The lowering of import duties and tariffs will have a selective effect. There is both a good and a bad side to this. On the good side, it allows imports to be directed by adjusting duties and tariffs. On the bad side, it is a typical interventionist measure. On the other hand, a revaluation of the zloty would have the same impact on everyone. A five-percent adjustment would not be dangerous—it would not put a brake on exports and it would not cause foreign goods to flood the market. What is more, it would strengthen confidence in the zloty in Poland. It would furnish further proof of the success of the government's current anti-inflationary policies. Moreover, a spectacular success is something that Deputy Premier Balcerowicz needs very much right now.

Central Budget Surplus Reported

AU2806122190 Warsaw RZECZPOSPOLITA in Polish 25 Jun 90 pp 1,2

[Krzysztof Bien report: "Why a Revision to the Budget?—The Surplus Is Proving To Be a Headache"]

[Text] Following five months of struggle to bring inflation under control, the financial situation of the budget is better than anyone would have dared expect at the beginning of the year. Last year's budget deficit has been replaced by a surplus. At the end of May 1990, this stood at 7.2 trillion zlotys [Z].

The course that economic events have taken, however, as reflected in the state budget, has not exactly been as everyone originally anticipated. It would be unfair to put the blame for this on the government considering the numbers of uncertainties concerning all the possible ways the economy could have reacted to the harsh dose of medicine which was administered.

To what extent—looking at it from the budget aspect—has the reality deviated from the prediction? For example, there have been earlier than anticipated (far ahead of plan provisions), receipts of various duty payments, payments from commercial banks, and income tax payments. In the last case, to a large extent, this is due to the effect generated by the final calculations of profit results for last year (proving to be better than was anticipated). However, there were lower than anticipated receipts from turnover tax, (a result of the deeper than expected recession), tax on wages, per capita tax, and tax from the private sector. Receipts from tax on increases in wages and the sale of government bonds turned out to be negligible.

A large part of the budget surplus arose, because planned budget expenditure turned out to be lower (due to delays) than expected. This concerned expenditure associated with prepayments for cars, investments for restructuring purposes, and finance associated with the Agricultural Market Agency, which is just beginning its activity.

The specific types of budgetary receipts and payments have to be apportioned to the two budgetary levels—namely, the central and the local budget. In reality, the whole budget surplus is at the central level. The deficit has occurred at the local level. This is the reason why there has to be a correction to the budget.

On the amendments, one should add that—so far as they were possible within the present legislation—the Finance Ministry did not wait for the present revision. Decisions to reduce the difficulties experienced by local budgets were made as early as half way through the first quarter of 1990. For example, the central budget portion of local budget receipts, as provided for in the budgetary law, is not being demanded. Wage increases in the regions have been partially subsidized by central budget reserves. Local budgets receive subsidies for specific purposes. Local tax offices have been instructed to produce more than one revenue and expenditure accounts for their local budgets per month.

All these steps are insufficient. The necessary revisions to the budget also stem from the necessity to increase financial support for housing construction. Additionally, the government is planning to take steps to intervene in several spheres, for example, the accumulation of a coal stockpile for the energy industry, increase subsidies for the milk industry, the Labor Fund, and to take over various social obligations which hitherto have been a liability on the cost of coal extraction.

These are not all the assumptions that are being taken into account at Council of Ministers' sessions on the budget revision. The draft document was based on many forecasts, including the prevailing currency exchange rates (still Z9,500 to the U.S. dollar and Z2,100 to the ruble), production output (a fall of 15 percent on an annual rate), wages payments (an average of Z1,020,000 in the material production sector), and the increase in prices (204 percent in December 1989, compared to

December 1988). These forecasts differ from the ones adopted at the beginning of this year. It is difficult to say whether they will prove to be more accurate than the earlier ones.

One can be more certain about the more general forecasts for the government's economic policy and the budget which were provisionally agreed at a previous Council of Ministers' meeting. For example, there will not be a recalculation of fixed assets that was due on 1 July. This will produce an increase in turnover tax receipts, but at the same time this will reduce receipts from dividend tax. There will be no change to principles behind the tax on wage increases. The government proposes that the system of financing coal mines should be changed to maintain the 1990 coal subsidy quotas. The present system of subsidies for cooperative housing and municipal services will be maintained.

All these economic policy forecasts and assumptions must be reflected in the budget. The Council of Ministers has not made the final decision pertaining to many details. It appears that the budget surplus is not easy to distribute. The lobbying from various sides is intense. The final decisions should be made this week. In accordance with the budget law, 30 June is the last date for making permissible revisions to the budget.

Mazowiecki, Mining Commission on Coal Issues

LD2806190290 Warsaw Television Service in Polish 1730 GMT 28 Jun 90

[Excerpts] Members of the National Mining Comission of the NSZZ Solidarity [Independent Self-Governing Trade Union] have held talks with Premier Tadeusz Mazowiecki and members of the government.

[Begin recording] [Reporter] The main subjects of the meeting were the introduction of free market prices for coal, abolishing export restrictions on this mineral, the issue of budget subsidies for coal, and colliery closures in the Walbrzych voivodship. [passage omitted]

[Mazowiecki] The government explained its motives for those transformations in mining as well as the necessity for their introduction on 1 July. On the other hand, representatives of the mining commission presented objections and argued for the transformations to be introduced later. According to our assessment, the introduction of them at a later date would cause us to come up against such a barrier that the conditions for their introduction would be worse; the effects would be worse, more severe, for the population. We tried, therefore, to convince them that it is necessary to introduce them now. We also tried to convince them that various precautions have been introduced, especially as far as the contract purchase of coal by the Energy Ministry in July is concerned, so as not to cause a reduction in supply. We will do all we can in this respect. [end recording]

Coal Market in Turmoil Before Price Increases

LD2806220490 Warsaw Television Service in Polish 1730 GMT 28 Jun 90

[Excerpts] The announcement of increased prices for electricity and gas, as well as the price of coal being put on a free market basis, has caused turmoil on the coal market.

[Begin unidentified reporter recording] In Lodz there is a shortage of coal. The last rail supplies were sold immediately on Monday. Delivery by private truck has ceased, such transport no longer pays. The mines have restricted the amount sold to ten tonnes, although there is a lot of coal at the tips. In that way tiresome clients have been got rid of and the lines of cars have disappeared. [end recording] [passage omitted on similar report from Szczesin]

The sales center in Katowice has reported that the entire output was sold immediately. Enterprises picked up the fuel themselves and coal trucks wait empty.

Armed Forces Restructuring Takes Effect

LD2806201190 Warsaw PAP in English 1631 GMT 28 Jun 90

[Text] Warsaw, June 28—Poland's Air Defense Forces will end their history after twenty-eight years of service in the coming days, PAP journalist learns.

The Air Force and the Air Defense Units, a new service of the Armed Forces, will be set up as a result of restructuring the Polish Army and as announced earlier.

The Polish Army's Education Department, a new institution in the structure of the National Defense Ministry, ends the stage of formation and will be working in full swing as of July 1.

OKP: Democratic Right Forum Not Our Initiative

LD2806172790 Warsaw PAP in English 1513 GMT 28 Jun 90

[Text] Warsaw, 28 Jun—The forum of Democratic Right set up here yesterday is not an initiative of Citizens' Parliamentary Caucus (OKP), Deputy Press Spokesman for OKP Rafal Zakrzewski told PAP.

Although in the composition of the Forum there are several deputies and senators from our caucus, the Forum was set up on the initiative of various milieus involved mainly in economic activities. In Zakrzewski's opinion the fact that Minister of Industry Tadeusz Syryjczyk and Vice-Minister of Agriculture Michal Wojtczak are members of the Forum is the proof that the forum is a serious body.

The participation of several MP's from OKP is easy to understand as they have represented economic orientation and the forum attracts their attention, Zakrzewski told PAP.

Parliament Chambers Endorse Cabinet

AU2806152090 Bucharest Domestic Service in Romanian 1500 GMT 28 Jun 90

[Text] Esteemed listeners, the two chambers of parliament, the Senate and the Deputies' Assembly, meeting in separate meetings this afternoon approved, through secret ballot, the composition of the new government of Romania.

Senate Votes Described

AU2806134390 Bucharest Domestic Service in Romanian 1300 GMT 28 Jun 90

[Excerpts] In Bucharest's Omnia Hall, the Senate of Romania met again in plenum in the afternoon. [passage omitted]

We want to specify that after the counting of the votes of the 107 senators present at the meeting, 106 votes were validated and one vote was canceled.

Some of the personalities of the cabinet list also had votes against them. Thus, 30 senators voted against Mr. Victor Atanasie Stanculescu, minister of national defense. Mr. Andrei Plesu, minister of culture, was not endorsed by seven senators.

The minister of justice, Mr. Victor Babiuc, minister of foreign affairs, Mr. Adrian Nastase, and the minister of youth and sports affairs, Mr. Bogdan Nicolae Niculescu Duvaz had 4 votes each against them.

The minister of health, Mr. Bogdan Marinescu, had 3 votes against him.

The other members of the government team were endorsed unanimously or had just one vote against them.

At 1500 [1200 GMT] the Senate concluded its proceedings.

Deputies' Assembly Vote

AU2806180890 Bucharest Domestic Service in Romanian 1700 GMT 28 Jun 90

[Excerpts] The plenary proceedings of the Deputies' Assembly resumed this afternoon at the Metropolitan Hill Palace with 358 deputies present. The agenda included the endorsement of the new cabinet list and the examination of draft bills on the remuneration and other rights of Romania's president, senators, and deputies and on the budget of the presidency.

Before the voting, the following deputies took the floor: Dan Lazarescu, from the National Liberal Party, and Ion Diaconescu and Vasile Gionea, from the National Peasants' (Christian Democratic) Party.

A secret ballot was conducted for the validation of the new cabinet. Of the 341 voters, 330 voted for the new government, with 11 votes against.

It is worth mentioning that 223 deputies voted for the entire list, while 107 had objections to some [words indistinct].

Thus, 86 deputies voted against Mr. Victor Stanculescu and 25 deputies voted against Mr. Andrei Plesu.

Mr. Dan Martian congratulated the new government and wished it success. [passage omitted]

The deputies also adopted the law on the budget of the presidency and began discussions on the draft bill on the remuneration and other rights of Romania's president, senators, and deputies.

The proceedings will resume next Monday, at 1200 hours [0900 GMT]. [passage omitted]

Newly Appointed Ministers Make Statements

AU2806171690

[Editorial Report] Bucharest Domestic Service in Romanian at 1300 GMT on 28 June carries a 10-minute newscast with brief statements by Minister of Culture Andrei Plesu; Senate Vice President and ethnic Hungarian ethnic Karoly Kiraly; new Foreign Minister Adrian Nastase; National Liberal Party leader Radu Campeanu; Defense Minister Victor Atanasie Stanculescu; Constantin Andreescu, a priest of the National Liberal Party; and Minister of Interior Doru Viorel Ursu immediately following the conclusion of the plenary meeting of the Parliament.

In his statement, Minister of Culture Andrei Plesu says that in his view "all those who have been appointed by the prime minister to the government team have mixed feelings: Fear of the difficulties guaranteed to await us and a feeling of curiosity and hope that we will have the strength to cope with them."

After stressing that the government program presented by Prime Minister Petre Roman has to be studied and examined, Senate Vice President Karoly Kiraly says that it seems to him that this program "is more of a declaration of intent with very involved and numerous ideas" which will lead to "serious discussions in both the Senate and the Deputies Assembly." He also believes that there will be "suggestions" to this government program, so that it "will inspire trust and the common desire for development and democracy."

He criticizes the fact that "certain things have been avoided" in this program, namely "human rights" and problems pertaining to "ethnic minorities" and draws attention to the fact that "there are some six million people in Romania who belong to various ethnic groups." He suggests that there should be "a department for such problems within the government."

In conclusion he says that no monolithic government of the National Salvation Front should be formed" and that "it would have been better if it had included representatives of other political trends or groups in the Parliament."

In his statement, the new Foreign Minister Adrian Nastase says that, like other people in the government team, he is deeply moved and the explanation for this is the fact that "we have just gotten on a train that is moving in a direction which we want to outline very well, a train that has to move very fast toward the target all of us are hoping for: A good life." He continues by emphasizing that "at the same time, we also have to think not only of what we are doing here within the government, but especially at this point we have to think of what we are going to do outside it."

In conclusion, he stresses that "this is the task of our ministry—I already dare say 'our'—and we will do all we can to create and to couple the outside image with the rate and profoundness of internal changes."

In turn, Senate Vice President Radu Campeanu, president of the National Liberal Party, says: "I cannot say anything about the government. In my view, it is a government of technocrats of no precise color. Obviously, the prime minister told us that they did not belong to the former nomenklatura, or something of this kind, which is, of course, a very good thing. However, I do not want to comment because I am not familiar with their political potential. For the time being, I do not view them as politicians, they are technocrats. They have probably been assessed according to their professional skills."

He continues by saying "As far as the prime minister's Program-Declaration is concerned, I agreed with it in general. It is an almost liberal declaration and I definitely agree with its principles, its program, and its targets. What remains to be seen is to what extent it will implement them. I would like them to be fully implemented."

In his statement, Defense Minister Colonel General Victor Atanasie Stanculescu says that he hopes that the two parliament chambers will entrust him with his position by secret ballot and that he "will present a program for the restructuring of the Army, a program which is already outlined and presented" for "endorsement" by Prime Minister Roman and President Iliescu. He says that another copy of that program will be passed on to the "Parliamentary Commission for Defense" and that after remarks and improvements "I will present it to the country and to the Army."

In turn, Constantin Andreescu—described as a priest, war veteran and invalid, and "deputy of Dimbovita County on behalf of the National Liberal Party"—says that he "is upset by the fact that for the first time there is no minister for religious affairs in the government to represent the interests of a tremendous majority of the Romanian people in the spiritual area." He continues by saying that "as far as I know, in the whole political history of Romania, beginning with 1959, when Alexandru Ioan Cuza formed the first government in Moldavia, a Ministry for Religious Affairs was set up headed by one of the greatest hierarchs of the church." And then he stresses that "all governments and all parties, including the Romanian Communist Party, which was the leader up to 1989, and even yesterday the provisional government had a minister for religious affairs, Professor Doicescu. Once again, I am very upset. Why did the current government not also include a minister for religious affairs, especially since the number one problem of the Romanian people at this point is the problem of moral cleansing. There is no more difficult problem than the moral problem. There is moral chaos. The whole Romanian soul has been seriously affected by things in the past 44 years. Therefore, it is absolutely necessary for the church to be involved in this great work of our country's moral cleansing."

Minister of Interior Doru Viorel Ursu emphasizes that "it is an extraordinary responsibility we assume." He says that he started as "minister of interior without having an office, because the building was and still is devastated." After talking about his election as minister of interior, he says that people in Bucharest "have begun to smile, calm has begun to prevail in Bucharest, and flowers have appeared in the sacred places of the revolution in Bucharest." He then stresses that he is "a fierce opponent of violence," and that his mission is to achieve balance and "to win the trust of the public." He admits that "as far as our troops and equipment are concerned, we are still quite poor." He continues by launching an appeal to the people to grant him moral support, so as to achieve "peace, stability, and the confidence desired by the population." In conclusion, he emphasizes that "we are not a political ministry" or a ministry "that could be manipulated politically in the interest of one or another party. We are a ministry of public trust and of ensuring peace for our country's citizens."

Defense Minister's Statement

AU2806143890 Bucharest Domestic Service in Romanian 1300 GMT 28 Jun 90

[Statement by Defense Minister Colonel General Victor Atanasie Stanculescu following joint session of Senate and Deputies' Assembly in Bucharest 28 June—recorded]

[Text] In my function, which I hope to be entrusted with by the two chambers by secret ballot, I will present a program for the restructuring of the Army, a program that has already been outlined and presented for a first endorsement by the prime minister and President Iliescu, as it were. I have been in touch with the Parliamentary Commission for Defense, to which I will pass on another copy and on this basis, after the given remarks and improvements, I will present it to the country and to the Army.

Prime Minister Roman Presents Government Program

AU2806123090 Bucharest Domestic Service in Romanian 0708 GMT 28 Jun 90

[Government Program presented by Prime Minister Petre Roman at a joint session of the Senate and Deputies' Assembly in Bucharest on 28 June—live]

[Text] Messrs. presidents, ladies and gentlemen, parliamentarians: At this time of the comprehensive and radical transformation of Romanian society it befits the government, which will be confirmed and endorsed by you, to pass the test of responsibility in the form of this program,which will open the road to these transformations.

Given the democratic circumstances that led to my being given the assignment of prime minister—as a representative of the parliamentary majority achieved through free elections—the program-declaration that I am presenting expresses the basic ideas of the platform of that majority.

At the same time, in full accordance with the message of the president of Romania, which affirms in principle the need to recognize and promote creative values and intelligence, the government program-declaration expresses the desire for a better life for the benefit of the nation by those proposed as government members on the basis of such criteria as competence, determination, and honesty.

The government's field of activity and operation consists of socioeconomic realities that in themselves constitute a whole, and it is viewed as such by the entire society. This whole becomes a coherent entirety after the boundaries of the various activities are outlined in accordance with the basic orientation imposed by a democratically expressed option. Thus, the basic objective of the orientation pursued by the proposed government is to create a configuration of economic producers who are free from any administratively patronized link with the state, but subject to judicial and financial norms that represent the public interest within the state.

The boundaries to which I referred are both the position of the economic, social, and cultural process related to the overall aspects and specifically related to neighboring processes, and the duration of such processes. Both the position and duration can be changed and, within the framework of an economic process, can be subjected to a drastic transition—as is the case with us—and then this change is all the more obvious.

Therefore, the definition of the government framework reflects and foresees the economic stage that is to be achieved, namely a market-oriented and modern economy which matches the main technological standards and the quality of life of the advanced European countries.

Then, the definition of the economic, social, cultural processes and the delimitation of the sectors within the government activity actually boils down to recognizing and mastering the elements that cross the boundaries in both directions—entry and exit.

We have focused a great deal on this problem. Its solution demonstrates that the new government can fulfill its mission by correlating these links on the basis of a joint assessment. The number of recommendations received from each ministry has been drastically reduced, actually by several degrees, because the notion and practice of centralized coordination will disappear and make way for economic processes to be regulated in accordance with social priorities.

In essence, the structure of the government that we are proposing constitutes the first radical change on the road of reform. We are talking about a very simplified configuration. The number of ministries and equivalent institutions has been cut back to almost one-third the previous number. The state apparatus will include only decision-makers for economic guidance and observance of the law. Intermediaries who weaken responsibility and pervert decisions will no longer be tolerated. The operation of state instruments is ensured by law.

It is essential that the structural change of the state apparatus be made irreversible by the way it is achieved. The state centralized system that has been established over such a long period of time certainly has a measure of resilience, that is, a capacity to reverse the situation if the impetus for decentralization lacks coherence and consistency. It is necessary for the current state apparatus to understand that reforming this apparatus from its foundations does not mean that its members will be excluded from economic and social activity. It simply means acceptance, as the current social principle, of the well-known wise saying "new times require new people."

The structure of the government proceeds from the basic precondition that its essential mission is to ensure a historic transition of unprecedented scale, first of all in the economic area, namely the transition from an overcentralized economy to a market-oriented economy.

The government's program-declaration focuses on the orientation according to which, even during the transition to a market economy, in which the coming two years will be decisive and which will certainly extol its own economic and social cost, both the solution of the profound crisis which we have inherited from the former regime and the protection of the most exposed strata should be ensured.

Faced with this task, we cannot be demagogues, as we have never been before. Thus, we are facing large-scale economic difficulties. We have to overcome a profound structural crisis. From this viewpoint, the most difficult period of transition is, obviously, the initial period that follows immediately because of the break with economic, legislative, and bureaucratic structures, with mentalities and practices that have been accumulated over so many years of dictatorship. However, we are optimistic because, if structures change fundamentally and if this change takes place through democratic institutionalization, then people do change. We are also optimistic because the transition government is a government of youth, which does not mean only that the government includes young people—with no links to the former apparatus—but it also means that these young people will bring the aspirations of youth into the Government.

The introduction of the principles of a market-oriented economy, especially in the initial and decisive stage, will be achieved in an environment permeated by the inertia of the former system. Therefore, the elimination of this system requires a genuine managerial revolution, the creation of preconditions for the selection, confirmation, and promotion of new generations of cadres who have genuine professional competence, who are prepared to work effectively under conditions of a market-oriented economy. The transformation of the economy is a process of a pronounced cultural nature and therefore we give priority to capitalizing on the competence of scholars, researchers, professors, and experts in general, without which inertia and conservatism cannot be eliminated. Therefore, we believe that, in working out the way the new ministries will operate, along with the apparatus of employees—which has to be set up based on the criterion of competence, anyway—we have to seek flexible forms and frameworks that permit the systematic participation of intellectuals and the most qualified cadres and experts—irrespective of their job—because only in this way can the new functions be fulfilled, functions which we view as playing an essential role in the new ministries.

However, the responsibility for Romanian social values, in which we include primarily human potential, excludes any attitude of superiority on behalf of some timeless intellectual circles, and necessarily implies the commitment, without reservation, of the exceptional intellectual resources available in our country, in a cooperative process with the social basis [words indistinct].

This commitment is one of the government's tasks that is both essential and crucial in the sense of capitalizing on our intellectual resources and of giving pride of place to our nation's intellectual values.

Ladies and gentlemen, let me make a few references to the period of the post-communist government in order to outline not so much what is better, but the prevailing state of confrontation, with its inherited basic deficiencies and those acquired after the revolution.

We took over an economy in deep crisis, with the task of administering it not in order to maintain, but rather to substantially increase the living standard. In spite of all difficulties, in the past 150 days we obtained a clearly favorable balance sheet for the people, as a result of the on-going revolution, which, at times, proceeded at a gallop.

At the same time, in the past 5 months, one failed to seriously examine the difficulties and specific problems faced by each enterprise in the coming period of transition. The administrative boards were more concerned with avoiding inner tensions than preparing the enterprise for the change. Fearful and hesitant, there were enterprises that even took some steps back: they reduced production norms and even paid higher salaries when the volume of production was below last year's level, costs had increased, and overall production efficiency had decreased. These enterprises are not prepared for the transition and it will take them longer to proceed to the market economy.

Scores of letters are being sent daily to the government asking for solutions. An enterprise, left without customers, organized a meeting which demanded that the enterprise should be told what it should produce. Other enterprises threaten us with strikes, by telex, threats directed against some decisions and which seek to acquire further rights while totally ignoring their economic results. All this is proof of an erroneous understanding of the role of the government in this period.

The government does not intend and cannot give private solutions. It is obliged to establish the goals that must be attained and the legal framework for doing so. The extent and degree of success of this process depend on the degree of efficiency and thoroughness of the administration boards.

Bad managers with a tendency to compromise must be replaced in the coming period by government decisions, even more than once, if necessary, until such formulas are found that can promote the sense of initiative, courage, and competence.

In view of the huge responsibilities shouldered by the administration boards, the government is prepared to grant them great powers, thus eliminating a basic vice of the past, namely the imbalance between responsibility and authority. However, the government will not subsidize, in any way, the damage caused by incompetence.

The functioning of the Romanian economy in these months has spontaneously and naturally included various aspects that are usually absent from a healthy economy, such as the fatigue of workers that built up during the latest years of the dictatorship and the very advanced wear and tear on production tools. This period of grace was extended for much too long, so that the crisis inherited by the revolution tends to be exacerbated by another aspect which cannot be accepted by any viable economic model, namely a distorted work ethic.

One should not mistake something that flows with something that stands still, said Nicolae Georgescu (?Roigen). In economic terms, this means that one should not mistake the flow for the basic foundation. The foundation, even in its current precarious state, is the pillar of support, while the flow can only exist through a general movement of economic agents.

In recent months, we registered a weakening, dilution, and even a disorganization of the flow, while the foundation has been strengthened—many more material means were supplied to the enterprises. This economic deterioration is due both to the weakness of the management itself—from the governmental level to the level of enterprises—and to the dangerous perpetuation of the old uninterested reflex of some employees toward the fate and results of their work.

As far as the inefficiency of some governmental decisions is concerned, albeit well conceived ones, one can rightfully say that in an ossified centralized structure the chances of success of elements of free initiative and the market mechanism were the same as those of trying to make a string of pearls out of sidewalk stones.

The plain fact that products exist only if they are created does not seem always to be clearly present in the thought processes of all members of society. The maintenance of the members of society presupposes the production of means of subsistence. It is crucial for the rearrangement of Romanian economy to give priority to the kind of production that is directly linked to life itself.

This statement of categories has a clearly defined economic basis. When the demand for certain products is great enough, as in the case of consumer goods, then the basic production factors are fully used, without interruption. Even the functioning of the Romanian textile industry sector in the last 10 to 15 years is relevant in this respect. On the other hand, we were able to use certain foreign financing resources—from the existing reserves—some of which proved to be well-chosen, while others were not.

Agriculture, we believe, is a bet the provisional government has won. The farmers received most of what they needed and they were remarkably prompt and highly professional in grasping the great changes taking place in the agricultural structures. It is rather strange to talk about professionalism in agriculture and not in industry. But this is the situation for the time being.

By contrast, the totally unjustified and intolerable drop in the productivity of certain sectors, such as mining, machine building, construction, and light industry, has created the premises for serious imbalances in the functioning of the economy and a more marked pressure on imports.

It is absolutely necessary to halt the movement in opposite directions of production and productivity on the one hand, and of wages on the other; such a course can lead to an uncontrollable explosion of the economic mechanism. In such a situation everything we have achieved could be completely destroyed; we would reach a point of decrease from which the capitalization of human resources and of the technical potential, as well as their mere utilization, becomes impossible.

In this respect, one should avoid several possible traps, so to speak:

1. Passing the costs of the solution of the inherited economic crisis on to the account of the costs of the transition itself, when the transition to the market economy is the only way to overcome the crisis.

2. Overlooking the real problems by discussing mistakes in the working out of governmental program and their application. Of course, such mistakes are very topical—as shown by international practice—and we want to draw all appropriate lessons from the experience of other countries. At the same time, we hope that the existence of a strong legislative forum and a constructive opposition, as well as the participation of all experts and staff, in close connection with the social basis, will minimize the risk of the aforementioned mistakes. But precisely when we start from the premise that programs are worked out and implemented under so-called perfect conditions, the real problems we are confronted with make their dramatic appearance. I will give you just one example: We inherited investment projects of about 380 billion lei, the finalization of which would require another 450 billion lei—that is, the country's investment potential for another two years—and this is only to finalize projects conceived from the very beginning as uneconomical. It is a part of the problem, but it illustrates the nature of the pressure the national economy is subjected to at present.

Ladies and gentlemen, in the overcentralized collectivized economy, there was an absolute truth, namely, that the productive function—that is the way in which material quantities can be turned into products—does not show what the system is doing but, in the best case, what the system could do. Only competent persons directly linked to this function can establish the possibilities and requirements of enterprises. Hence, the objective requirement for enterprise autonomy and trade management.

Trade management primarily means to establish a correlation between work and its results, on the one hand, and the social requirements expressed through the market mechanism, on the other. Thus, if the work done by productive workers proves to be commercially uncompensated—that is, from the viewpoint of goods on sale—this emphasizes the causes for failure, which can be many: outdated technology or rundown equipment; low productivity due to workers with inappropriate skills; lack of technical or managerial skills on the part of management staff; poor quality supplies; insufficient marketing; and so forth.

The exclusive management of the economy by the state has proved to be a failure in all societies and in all corners of the globe. The argument for a socialist-collectivist economy, according to which society's interest and progress can be rigorously planned thus leading to a so-called wonderful internal balance, does not stand up to the scrutiny of a thorough scientific and economic investigation. Such an analysis emphasizes—unfortunately after a much too prolonged disastrous experience—that the main economic driving force, consisting of economic agents and operators, is losing its identity. They are included in calculations based on wishful and self-willed thinking, which ignore reality and are totally subjective.

Any theoretical discussion of the degree of the state's intervention in the economy must clearly distinguish between the promotion of collective interests through state policies and the interference of the state in the economic mechanism.

It has also been said that the planned economy would have at least one virtue, namely the elimination of waste. We all know that this was only an illusion. If the economic theory of the consumer society contains some basic deficiencies—such as ignoring the limited nature of natural resources and other environmental considerations—the theory of a planned and socially just distribution resulted in a society of widespread poverty and an unprecedented destruction of natural resources.

The temptation of administrative intervention beyond any kind of public control has always prevailed over an objective or at least a common sense analysis. What a democratic state and government has no right to do and cannot do is to redress its own mistakes without having to account for them.

The transfer of vast public funds between various economic and social spheres in the name of the collective well-being without being subjected to democratic scrutiny was severely sanctioned by the unfailing laws of economic science.

The entire state apparatus, fed on the chimeras of centralized planning and supported by the apparatus of the political regime of a one-party monopoly, developed its tentacles and reacted to economic failures with further centralization and greater control of the economic agents.

A high official of Romania's planning autocracy said not so long ago that in five months the provisional government installed after the December revolution succeeded in shattering the Romanian economy more than Ceausescu's dictatorship had in the last 20 years.

It would have been very fine if we had been able to dismantle all the aspects of economic centralization even more thoroughly. However, what prevented us from a direct implementation of the economic reform was, first of all, the braking action or reaction of these inertia masses making up the state apparatus. In spite of all this, many high or medium-level officials strove to support the openness unequivocally encouraged by the government as of last January. The young and well-trained staff of the 60's—engineers, economics, architects, jurists, and physicians—were particularly active in that respect. There has been a real upsurge among the younger generation who are not and were not linked ideologically or politically to the old political and economic structures. Today, they are called upon to assume managerial responsibility at all levels in the highly difficult period ahead of us, that is in the period of radical reorientation of the Romanian economy.

I dealt in detail with the inherited economic crisis in order to emphasize that its correction will be a long-term process—which will superimpose itself on this transitional period—with manifestations, possibly varying in intensity, but which can become explosive if they are uncontrollably combined with some of the inherent prices one has to pay during the transition itself.

On the other hand, from the investigation of the nature of this crisis we can draw the following basic conclusion: Any solution which in one way or another would depend on a return to the mechanism of the supercentralized mechanism is unviable and reactionary. The demolition of the supercentralization introduced in the Romanian economy, particularly in the last years of the dictatorship—this overcentralization has really been an aberration without parallel in modern times—and the transition to the market economy are the only ways to overcome the crisis and create economic, scientific-technological, and social structures in step with the requirements of modern civilization.

Finally, it should be clear to all of us that it is not the demolition of the overcentralized planning and administration of the economy that threatens to deepen the crisis, but rather the half measures and the cosmetic changes of the old structure, as shown by practice in our country and other totalitarian countries.

Only a swift radical reform can take us out of the current economic crisis, in step with the legitimate expectations of the people. The government's goals in this respect are not linked to the length of its term in office, but rather to the Romanian realities and the fact that, in the restructuring of our economy, we are far behind other states which started this process in the last decade.

We cannot really accede to the status of a European country unless we join the basic trend on the continent; nor can we achieve social prosperity unless we harness the forces of change, such as entrepreneurship, competition, free initiative, and privatization.

More specifically, the government intends to submit soon to the parliament—in 18 to 24 months at the most, if we have the necessary support—a package of legislative measures that should actually create conditions for enterprises to operate in a market economy.

One should prove the virtues of the market economy only through facts, initiative, and work—the only elements which can replace the current egalitarianism of low incomes and the inefficiency and falsehood of the economic calculations of profitability with the well-being of the individual and the profit of the enterprise.

We have no illusions about inertia, but then we can hardly avoid a few simple truths such as: overcoming the deep crisis is not a circumstantial but rather a structural matter of concern both to production and consumption and to institutional links and competences; it marks the most radical transition ever known in Romania, since shocks are unavoidable in the transition from the overcentralization to the market economy; this transition incurs a social price, hence ensuring the social protection of the broad strata of the population is for the government as much of a responsibility as is the promotion of reform.

Committing itself to this course, the government calls on you, the electorate, to share the viewpoint that reform and its success depend on social tranquillity and participation. In this respect, we call for a six-month moratorium on the trade unions' pay and working conditions claims, in exchange for the government's pledge to compensate for any reform elements that might hurt incomes and labor conditions.

As a principle, the reform intends to place the responsibility for solving these claims before the enterprises that will have to make a decision in direct correlation with its profit-making performance, by virtue of its decision-making autonomy. It is not the government that can grant money rights, because in the free enterprise system it does not have the means to do so. As a matter of fact, before reaching the stage of advancing such requests, everyone should equally realize that each workplace is also subject to the same kind of transition—either to another workplace or to another technological level.

A structural change, even a change brought about by the technical-informational revolution, presupposes a permanent shift in the situation of all social categories. Who stands to benefit from a situation whereby an enterprise—with its given level of technical and technological equipment—functions and produces with a substantially higher number of people than necessary? Certainly not society. Not even those directly involved stand to benefit from that, as their situation generates discontent in work relations. What is more, it is impossible to pay their salaries as long as profits are diminished by exaggerated payroles for an under-utilized labor force.

By giving priority to the economic activity of the enterprise with its freedom of organization, autonomous decision on the kind of production, investments, the occupation and pay of the work force, and of prices, a new system of links is created with the market. This is normal and natural. Thus the anachronistic patronage and anti-economic nature of ministries or central departments is eliminated definitively.

In its relations with enterprises, the state itself will act as an economic agent and state orders [comenzi] will be auctioned to businessmen, because the state pursues the same principle of economic efficiency.

The current relationship between economic sectors and branches based on the allocation of resources at the centralized level, without any direct contractual specialization between enterprises based on stable and honest trade relations between the supplier and end user, will inevitably lead to a serious imbalance in the autonomous operation of enterprises. The industrial-commercial image of these enterprises will be completely distorted. Moreover, the assessment by enterprises of their own results on the basis of their own financial administration which is currently oriented, in the form of a balance sheet, toward the mammoth that swallows without distinction—that is the state—and not toward those who would be entitled because of their participation on the basis of financial interest. It does not reflect their own financial administration, but most of the time hides technological or managerial deficiencies in sectors or enterprises on the whole.

The transition to a market-oriented economy requires the adoption of a set of measures for the proper setting up and operation of all its components—that is, the capital market, the labor market, the investment market, the markets for raw materials, secondary products, and consumer goods, as well as the financial market. Within this context, it is necessary to create an increasingly larger area for economic competition.

Beginning already with the current session of parliament, we will promote an initial package of laws designed to set the basis for changing the economic mechanism in accordance with the requirements of really backing political democracy with the help of economic democracy.

Since the basic condition for the transition to a market-oriented economy is the autonomy of the decision-makers of the economic agents, who are indissolubly linked to the form of ownership, it is necessary for the establishment and affirmation of the mechanisms of the market economy to gradually limit the sphere of the public sector. This will be limited to the area of general-interest areas of the public sector, such as: subsoil riches, the energy system, part of the land and farm land, waters, forests, the basic transportation system, and the production and infrastructure for the national defense.

Concerning small-scale units in trade, public services, industry and so forth, privatization can be achieved rapidly and on a large scale by selling them and granting advantageous loans for their purchase. As an alternative form, one can make use of licenses and leasing.

One of the basic ideas of the reform we promote is that the state should, to a great extent, no longer be the owner and manager—a position it holds today—in order to become a creditor. Actually, all economic activities, or rather all activities whose aim it is to produce and sell goods and services will be carried out by trade companies, possibly with state capital, and by autonomous companies which should fully own their assets. The state will collect dividends as a shareholder, and will levy taxes as a tax collector. In this sense we want to initiate a genuine legislative shock designed to create—in the shortest time possible—the legal and institutional framework within which entrepreneurs—natural or legal entities, Romanians or foreigners—will freely decide on the time, the area, and the amount of their investment.

In the following stage, the government will have to deal also with the organization of the public sector in the economy by turning the current state-run enterprises—predominantly administrative units which operate on the basis of the principle of bureaucratic centralism—

into self-managed companies and into genuine economic agents, as I have said before.

To prepare the public sector for privatization requires the reassessment of the assets of existing enterprises, whose funds are currently registered on the basis of the initial purchasing price. Within the framework of this action, we should avoid both the danger of underrating these funds—which would harm the state—and tendencies to overrate them, which would discourage private entrepreneurs.

To actually turn state-run economic units into private companies, a number of legal, organizational, and financial measures are needed to ensure the training of managerial staff and entrepreneurs. They must become acquainted with the operation of trade companies under conditions of the market economy. This is necessary to instill an open mentality toward the market economy, ensure that people understand the role and effects of privatization, and secure the sources of capital for Romanian entrepreneurs who wish to participate in expanding the private sector of the economy, by setting up some institutions—development banks and consulting bureaus—designed to back the setting up of private economic units that will take account of realities of the market. It is also necessary to organize specialized institutions—stock exchanges—that will facilitate the setting of prices for shares; to pass laws that will stop disloyal competition or an excessive concentration of capital, with a view to forcing and limiting competition; and to adopt appropriate normative documents, particularly the trade code and the law on bankruptcy, which should be the overall framework for the organization and functioning of all economic elements in Romania.

Talking about privatization, it is extremely important to realize the exact significance of this process. Thus, one should point out the advantages of privatization for the profitability and viability of enterprises and for the incomes of employees in these units, which are also a result of the higher motivation of the entrepreneurs, managers, and employees. That is why the government does not intend to withdraw from the direct guidance of economic units out of indolence, but rather out of the conviction that private initiative assures the dynamism, resolution, and efficiency of the economic activity.

In this respect, the government suggests that the employees of an enterprise should have the primary right to buy the shares of the respective enterprise—the so-called first-option right. One will examine ways and means of privatization through the distribution of 30% to 50% of the present state property. All this is known to world practice and experience.

On the other hand, the simple transfer of state property to private entities as well as the novel creation of a private sector in the economy are not and cannot be considered magical solutions for the resolution of the Romanian economy's problems. The privatization process is only a means, which, if used firmly and wisely, facilitates, alongside other means, the transition to a market economy and a way out of the [word indistinct] crisis inherited from the previous dictatorship.

Privatization obviously presupposes the autonomy of economic agents. Regardless of its activity, an enterprise must have the necessary prerogatives to act autonomously with full financial responsibility, under the conditions of the market economy. The main decision-making competences of an enterprise, which will be regulated by law, are the following: carrying out marketing studies; choosing partners and concluding contracts; setting up one's own sales and services network; deciding on one's own development strategy and line of activity, on the funds allocated to research and technological progress, and on one's own organizational structures; adopting investment programs; establishing income and expenditure budgets; setting prices and tariffs through supply and demand—while the state only sets prices for a small number of products of particular importance—distributing its profits; keeping and using the hard currency funds obtained in accordance with regulations in force; and deciding on the necessary staff from a numerical and structural viewpoint.

Renunciation of administrative methods and of the state apparatus' interference in the activity of all kinds of economic units also implies an appropriate adjustment of the functions of the ministries and other central bodies, although the latter are largely disappearing. Therefore, local state administration bodies should also undergo the same kind of radical decentralization of decision-making competence. The regulations for a greater autonomy of city halls, which are to be adopted, will have to pay great attention to the role of local bodies in the economic and social development of the administrative-territorial units and in the administration of local budgets.

During the transition to the market economy, the powers of city halls will substantially change. They will undergo a reduction of their executive role, while stress will be laid on their duties as administrators supervising the observation of the legal framework of economic activities and safeguarding the interests of the citizens living in the respective zone.

The accomplishment of all these objectives is conditioned by the establishment of a powerful management which is competent and able to assume responsibilities in administering enterprises. In this period, in which many of our enterprises will go through radical transformations to reequip, retechnologize, renew, and will establish ventures with internal and foreign partners, timid managements cannot make real long-term contributions to the activity of enterprises and meet the interests of workers.

Introducing management criteria in the administration of enterprises, simultaneously with the tax system on profits and personal incomes, we believe that the economic agents will take efficiency as the primary guide in their actions, whereupon any intervention will be done through economic and financial levers. In the dynamics of rebuilding the Romanian economy, the small and medium-sized enterprises, more suited to technological transformations and to certain demands, are a driving force and should be the fruit of a new structural development, but also of decentralization and demonopolization. Moreover, we can state that whereas so far such enterprises were the cinderellas of the economy, as of now their status should be at the same level as the big enterprises because progress is the result of the spirit of free initiative and of skilled and enterprising management and not of large numbers.

No doubt we cannot speak of real autonomy unless we continue a stepped up liberalization of prices, while exercising strict control over those which are the base for the population's supply—foodstuffs, electric energy, and thermal power. Certainly, the liberalization of prices should not be the result of an inflationary spiral derived from increases in delivery prices for the sake of boosting the salary fund. By liberalization we aim to eliminate distortions which give false signals to investors, producers, and consumers and which lead to deficient market decisions, ultimately generating nonrecuperation of costs and decreases of profits. The liberalization of prices makes sense only under conditions of free and loyal competition, through which the price reflects the demand and supply relations in the market. In this respect, the government is determined to forbid any tendency to establish cartel prices and it will guarantee fair competition, in the more general context of the policy of dissolving monopolies. In a natural way, such adjustments in the area of economic agents, private enterprises, autonomous ones, or commercial societies in which the state is the major shareholder, also implies a wide-scope reform in the financial banking system, which is the circulatory system of economy.

It is absolutely necessary to achieve a categorical restructuring of the budget by considerably reducing its commitments to finance investments, which will become the function of their own sources and of the bank credits. In this way, the state will be able to assume the role of financing the social protection.

It is just as important to create a network of commercial banks and credit banks throughout the country. In the first stage they should be established at least in each county seat. As we allowed each bank to perform operations in hard currency, we will also encourage the establishment of foreign capital banks in our country and of branches of foreign banks, which should perform credit and business operations in Romania.

We would like the CEC [Romanian Savings and Deposit Bank] itself to play an active role in the capital market and become a bank of economy which is able to credit investments, including private ones.

Until a stock exchange is established, banks should assume the role of secondary bond markets where transactions dealing with actions and bonds issued by entrepreneurs can be handled. Information science applied to the system might lead to the formation of an interbanking market for bonds, as well as for hard currency actions and commercial credits in the national currency.

The action of reforming the Romanian economy cannot be a chaotic process. Therefore, following the example of countries with an old democratic tradition and with a strong, consolidated market economy, the government assumes the task of leading the process of reforming the Romanian economy by working out a prognosis which, for the duration of this cabinet's mandate, is aimed at orienting economic agents so that the producers know which are the social needs. This is a plan, like the French or Japanese one, in support of which the government does not intend to resort to other instruments than the economic, budgetary, and banking ones. The only indicators—if they can be called that—followed by the government through the so-called plan are the ones regarding the population's supply with products and strictly necessary goods. The government has already reduced—and proposes to continue reducing until the final dissolution—the system of material balance, quotas, and distribution, which only represent elements to justify nonfulfillments. We know that resources are insufficient but we also know that 2 or 3 times more energy is used per production unit than in prosperous economies.

Enterprises which have an efficient management and interested personnel with a spirit of participation who will be able to rapidly offer technological solutions will have the means with which to work, without directly involving the government, whose role in distributing resources should also decrease. The government and ministries will not be the supplying services of enterprises. Really difficult problems will be resolved at the level of departments, at the most, and contractual instruments will be primarily used. Likewise, any industrial activity which wants to keep on going has only one solution, that is to reduce consumption by using new technologies, with the assistance of industrial partners, and by making a better profit in the market with the assistance of commercial partners. It must reequip, retechnologize, ensure management, introduce computer technology, restructure production and orient it toward salable goods. Producers should understand that this cannot be continued mainly on the basis of foreign credits without being first concerned with the existence of a market to sell it and the real dimensions of this market. The market economy is not compatible with production for the sake of production, with the huge agglomeration and immobilization of capital in stocks. In a market economy demand is of major importance, and in our case, the internal demand, which must be primarily satisfied before exports. Being fully aware of the fact that we will not be able to avoid—during this transitional period and maybe not even after it—adverse phenomena such as inflation and unemployment, the government is prepared, once the bill on self- managed commercial companies and taxes is introduced in the parliament, to present bills on social protection in an attempt to limit social convulsion as much as possible.

We must state, without trying to deny it, that the adverse effects could be seriously curtailed if we were to benefit from an inflow of foreign capital in the form of portfolio investments or joint companies. In this way we would create jobs and an additional source of capital which should increase internal resources. Unfortunately, the international milieu is not favorable for us now, but we hope that foreign governments will perceive our real attachment to political and economic pluralism. As far as we are concerned, the government will continue to take actions to return Romania to its due place in Europe, in the world economy, and to associate with European communities. In this respect we completely hail our parliament's initiative to contact the European Parliament.

The extent to which we will succeed in obtaining the above-mentioned objectives will be decisive for the possibilities to make the lei a convertible currency. Certainly, the fact that we started 1990 without foreign debts and even with debts to collect would plead for a fast attainment of this goal. The government has decided to grant all its support to gaining convertibility, which presupposes the meeting of several economic, monetary, currency, and institutional requirements whose achievement is not a simple act of will. Among these actions, the primary ones are: to make products for export and offer services which are competitive; to establish a real exchange rate for the lei which should be effectively introduced in all foreign currency transactions; to ensure that the money supply has proper coverage in goods and services. At the same time, convertibility should be protected with monetary reserves capable of meeting the import requirements of the country for at least 5 to 7 months.

In conclusion, we will be able to achieve the convertibility of the lei as soon as we fulfill the mentioned economic, financial, monetary, and institutional premises, avoiding an apriori administrative decision.

However, it is equally true that besides being a consequence, convertibility can also be a premise of the success of the reform, and to make it be so we would need to back it with information on monetary stability.

What has been said so far shows that our model boasts an essential merit: It does not start with a tabula rasa, it does not build a greenhouse to protect various recipes of economic theories, but it fully assumes the value of the Romanian material and human heritage, created by the people despite the long years of dictatorship.

I believe that it is appropriate that the government that we create today be empowered to formulate, together with basic units, specialists, and consulting experts, a palpable operational program of action over the shortest possible time—for instance one month—so that the initial measures can be taken as parts of a whole in accordance with the nature of the economy's operation; and the succession of the measures to be taken should be determined by the logic of the economic process.

Simultaneously, each unit and department will have to finalize its own concept on the passage to a market economy, starting from the legislative general economic-financial framework and from the particularities and requirements of carrying out economic activity according to economic principles.

However, let us note that once the individual conditions for an economic state are rigorously, scientifically established, problems that need to be solved start emerging. As a matter of fact, almost all these conditions are deficiencies: lack of resources, of technological expertise, of industrial organization, of the physical capability of equipment, and others.

Concomitantly, we should attack with all legal means all those phenomenon which aggravate the situation of people's resources such as: corruption, purloining products from the industrial or commercial distribution network, and unauthorized commercial activities, particularly during this transitional period.

We will support all services to the population aimed at creating new jobs and ensuring sources of income by attracting the surplus monetary stock possessed by people.

Ladies and gentlemen, a moderate European standard of living will be achieved gradually, in accordance with groups of good[illegible] Our first priority is ensuring foodstuffs and electric and thermal energy. In this respect, particular measures have been taken as of 1990, and these measures will be increased in the next 2 years. We should remember that as far as the duration of the work week, the number of free days per year, and the vacation period, the mentioned objective will be achieved this year. Some sectors directly linked with the needs of the people—food catering and commerce—should certainly be organized in such a way as to take into account their obligation to continue their activity throughout the week.

The government will promote a modern vision in the management of social programs. We will follow the principle that through social policy problems should be eliminated and not made permanent. Certainly, as far as the economic resources requested by the social programs that we want to promote are concerned, we should be realistic. An efficient social policy should not have a negative impact on its own base—the economy. Starting from the experience of developed countries, we will have to pay special attention to the efficiency with which our huge resources are spent on social programs, providing for the attainment of maximum social and human profits.

We must multiply the economic resources of the social programs by mobilizing both local resources of organizations and of individuals. Likewise, in achieving a constant and durable increase in the quality of life, together with economic resources, we should pay special attention to the noneconomic resources. With the guidelines for Romania's socioeconomic development in 1991-1992, several programs of a national character will also be worked out, particularly in the area of education and the training of cadres, scientific research, regional development, elimination of the ecological crisis, and the creation of new jobs.

The policy of our government in the field of education will be accomplished in accordance with the characteristics of pre-university and university education. If, in the field of the pre-university education, we take into consideration its general formative characteristic, we should consider a global and imperative approach to the issue. In the case of university education—starting from the diversity of its domains and ways in which they can be approached—a real and consistent autonomy is required.

We think of an open education as a permanent instruction achieved in a fundamental institution. This type of education is independent and has no time limit, although lately it has been too often disrupted by the rapid political fluctuations. The major goal of the pre-university education is to offer a solid general culture. In this respect, the educational programs will be simplified and renewed while exigency will be increased, as far as their assimilation is concerned.

The recent decades have unnecessarily burdened the content of the educational material while their assimilation was almost completely neglected. The major stress will have to be placed on the Romanian language and culture in order to offer the young people a thorough first experience, which, once assimilated, will make possible access to any other culture. We do not consider it as a nationalistic effort but rather an attempt to offer the most accessible framework in which the cultural personality of each young person can take its first shape.

The opening toward universality will be offered through teaching the fundamental material of positive sciences and through learning two or more foreign languages.

The university education basically includes two aspects: the first is connected with the educational activity itself and the second is connected with the scientific concerns in the university area.

Starting from the fact that only those who are active also in the field of sciences can be professors, the first task of the government is to define and create the context for a real university autonomy. We will aim for a situation in which the selection of values will be achieved through interaction with students in the educational and scientific activity.

Developing the nature of the educational process will be stimulated also through the general policy promoted by the government, by promoting activities in which quality and competence should be fundamental criteria. We do not promise immediate and spectacular results, because we are convinced that we are working for the third millenium. We have to accept the fact that in the field of education there is the greatest time gap between a decision and the final and profound results that it implies. Therefore, our responsibility is maximal, but it has to be doubled by a corresponding social credit. In defining the natural and fundamental place of education in society, we start from the idea that the modern world cannot be conceived without the progress of human knowledge—that is, without the development of science and technology. Stimulating and assisting the scientific and technological progress is a state policy in every developed country. The major lever of this policy is economic. Many countries, among them the most prosperous ones, devote up to 3% to 4% of their gross national product to it. Many governmental or nongovernmental bodies contribute to the reasonable and efficient utilization of these factors.

In our country we have an important network of institutions devoted to research and we have valuable human potential in our specialists. Unfortunately, as far as our material possibilities and research documentation are concerned, it is much below what is available to researchers in developed countries. For decades on end, our researchers could not get updated information and did not have the chance to work with modern means of research. They were separated from the international scientific and technological community. They were marginalized. Under these conditions, we need urgent radical measures such as:

1. Redefining the social status of the researcher, giving him the place he deserves in a modern society.

2. Supplying research units, including higher education, with research and documentation means at the level of requirements of the problems that are being studied and up to the level existing in developing countries.

3. Opening without any limits the access of researchers to all aspects of international research life.

4. Revitalizing the scientific potential of our country by perfecting the existing researchers and mostly by achieving a massive infusion of young people who are capable of and desire to devote themselves to this activity.

All these things could be achieved through numerous programs of the utmost importance for the present but also for the future. The national ecological program with all its implications, the national program for energy and raw materials; the program of technological development, the computerization program, the biotechnological-agricultural program; the program of seismologic research in Romania; the social-human sciences, and others. Viewed in an integrational way, all these programs could be included in a uniform long-term program that we could call the program of life's sciences, whose ultimate goal is to expand the sphere of human knowledge and mainly self-knowledge in all possible ways: scientific, artistic, and social. This program could mobilize the entire creative spirit of Romania, giving each person the satisfaction of recognizing his usefulness and instilling in him the wish to live in a civilized way.

Ladies and gentlemen, the Romanian people's everlasting wish for civilization and culture should find support in the cultural creativity.

Thus, culture ceases being a merely decorative element to please a political or executive force. Culture is an exclusively independent form of representing the nation. Allow me to believe that the intellectuals' appeal to national solidarity is worth adopting also for the intellectuals themselves. The performance of the cultural creation cannot be intimately associated with its politicization or ideologization. Andre Malraux said it very beautifully: It is not the passion which destroys the work of art, but the will to prove.

Ladies and gentlemen, the justice system will be submitted to some reorganization measures to regain its dignity and its natural place in ensuring the respect and defense of the state of law, of human rights, and fundamental freedoms in accordance with the requirements of a lawful country. In this respect, judges will enjoy independence; one of the guarantees of this independence will be their irremovability. Likewise, the system of courts will be reorganized so that on the one hand it can comprise the whole area of the legal framework, and on the other hand, make it possible through degrees of jurisdiction for each trial to be completed, thus ensuring not only a rapid verdict but also a thorough and legal one.

We stress the need to introduce the administrative lawyer's job, to allow each citizen whose rights were violated by a certain action of the state administration to contest this action in court. We also stress the need to create the possibility to discuss the constitutional nature of any law in any stage of a trial, a problem which should be submitted to the Supreme Court of Justice for resolution.

On the other hand, the Ministry of Justice should be involved to a great extent in the legislative activity in all fields of social life and, at the same time, it should initiate and coordinate the activity of reviewing legislation, first of all the specific activity of courts, in order to modernize and complete it in accordance with the requirement of our era and national traditions.

Througn all these measures, we aim to make Romania a lawful state in which a powerful and independent judiciary should not be an instrument of power—as it used to be during the dictatorship—but an instrument of justice, a guarantee of social order and harmony.

The government proposes to carry out its activity under conditions of openness and legality, which are essential characteristics of a new sociopolitical atmosphere which is being established in Romania. As far as these characteristics will prevail in the relationship among the internal political forces, the political stability which is indispensable to the reforms will ensure an irreversible nature for the assertion and consolidation of the new democratic, pluralist structures. Identifying itself with these objectives and values, the Romanian Government assumes responsibility to take firm measures and take actions within the legal framework to thwart the attempts meant to produce a state of confusion, tension, and conflict by exploiting and manipulating certain social tendencies—which, as a matter of fact, are part of a transitional period—and overcome the effects of the dictatorship. Assuming for itself strategic objectives that derive from the objective requirements and social expectations which characterize the first stages of the transitional period, the government is in a position to select those ways and means, resources and factors which should confer upon it the necessary efficiency and a quick pace of changes.

In the field of foreign affairs, the absolute priority of the governmental actions will be to defend, protect, and promote our national interests in an international context which is still characterized by changes and uncertainties, and to identify realistically and responsibly the most efficient ways to this end.

At the same time, the government will continue its policy of broad openness toward all the countries of the world, on all continents, in order to connect our country to all current great processes and tendencies in the international arena. We will look for increasingly concrete forms of improving our direct relations with the countries which assert themselves in the international arena as promoters of international detente and economic progress.

In its relations with the parliaments, in which we see the most complex and authoritative way of public control, the governmental team will implement the mandate for transformation given by Romania's citizens on 20 May. That is why the legislative framework, defined with parliamentary flexibility and promptness, will represent an indispensable condition for the reforms of economic structures and democratization.

Basing our activity on the parliamentary majority resulting from the May free elections, the government will also be concerned with maintaining the public support—a decisive factor in applying the policy of transition—and with expanding this support in other social areas or fields of activity. The whole governmental activity is motivated by the defense of Romania's fundamental interests and of the Romanian people's dignity, by promoting positions and relations which should permit an unhampered continuation of the process of the country's democratization. We are aware of the fact that the profound changes necessary for the revitalization of the Romanian society will have a significant effect on our way of life and work and on interpersonal relations, and will cause a number of original and even unexpected phenomena for the current generation.

We are living through a social experience with profound historical significance, which demands a great productive and creative effort, national solidarity, and openness to the world. Thank you. [applause]

Roman Interviewed on New Program, Cabinet

AU2806201090 Bucharest Domestic Service in Romanian 1914 GMT 28 Jun 90

[Interview with Prime Minister Petre Roman by reporter Mircea Rucareanu in Bucharest on 28 June—recorded]

[Text] [Rucareanu] Mr. Prime Minister, we have listened to the program of the new government, which was endorsed today by the two parliament chambers.

My first question: What are the priorities in the days to come and in the coming period? In fact, how will this ambitious program which you presented today be given concrete shape?

[Roman] In the days to come we ourselves—that is, the government—have to get organized, because the government composition which in itself is very important and, from a certain point of view, decisive, does not yet mean that the state apparatus has been organized, and as I said in the program, it has to have a completely different configuration. In about two months we have to make the transition from the former state apparatus to the new configuration. This has to be achieved, and at the same time, it is our mission of maximum priority and importance to legalize some draft bills without which the government cannot begin its activity. I am speaking of the law on trade companies, on autonomous companies, the law on taxes, on [word indistinct], on social security, and the law on labor conflicts.

[Rucareanu] Out of a certain curiosity but also because of certain professional interests, we have made some calculations, Mr. Prime Minister. The youngest minister is 36 years old. We are talking about Adrian Severin, followed immediately by Viorel Ursu, who is 37 years old. The average age is around 48 years. Is this in accordance with what you said today, "new times require new people?" To that we would like to add: A young democracy requires young people.

[Roman] To have young and capable people participate in this government has not been a target in itself, but it has been a requirement and, at the same time, as I emphasized in the program, it was a means of having a certain initial certainty in connection with implementing this program with these people, who have the competence, determination, and honesty for the responsibility with which they were entrusted today.

Karoly Kiraly Statement

AU2806144890 Bucharest Domestic Service in Romanian 1300 GMT 28 Jun 90

[Senate Vice President Karoly Kiraly statement after joint session of Senate and Deputies' Assembly in Bucharest on 28 June—recorded]

[Text] I think it is premature to voice opinions, especially precise and well-grounded opinions. We have heard the program and now we have to study and examine it. It seems to me that it is more of a declaration of intent with very involved and numerous ideas of a certain programmatic nature, as its title suggests.

I have the impression that there will be serious discussions in both the Senate and the Deputies Assembly and there will certainly be suggestions, so that the government can have a proper program that will inspire trust and the common desire for development and democracy.

I also have the impression that certain things have been avoided, such as human rights and problems in the department of ethnic minorities. We should not forget that there are some six million people in Romania who belong to various ethnic groups. I do not think that this problem should be avoided, but discussed. In my view, it would be imperative to have a department for such problems within the government.

Another remark: I believe that no monolithic government of the National Salvation Front should be formed. It would have been better if it had included representatives of other political trends or groups in the parliament.

New Cabinet, Government Program 'Well Received'

AU2906104590 Bucharest ROMPRES in English 0950 GMT 29 Jun 90

["The New Cabinet and Its Program—Well Received"—ROMPRES headline]

[Text] Bucharest, ROMPRES 29/6/1990—The government of 23 officials of whom 10 engineers, 5 lawyers, 4 economists, 1 physician, 1 sociologist, 1 esthetician and 1 architect, 14 of them being D.Sc. and several with two academic degrees, being highly appreciated abroad for their works, of an average age of 48 years, and its programme-statement have been generally well received by the Parliament whose two chambers showed their confidence with a majority of votes in the very day of its appointment by Premier Petre Roman.

Here are some of the immediate reactions towards the government and its programme:

Radu Campeanu, president of the National Liberal Party, vice president of the Senate: A government made up of technocrats who will be able to implement the reforms proposed. The programme is almost liberal.

Karoly Kiraly, vice president of the Senate: It is more a programme of intentions full of ideas and concerns. I have nothing against the ministers proposed, but the absence from the government of other political parties' representatives seems a mistake from the perspective of reconciliating the Romanian society. It is also necessary a governmental office for the human rights and for the minorities' rights in particular.

Antonie Iorgovan, senator, the only independent in the parliament: The prime minister's analysis seems to me correct and rooted in reality. After tens of years of lies and slogans the Romanian country heard a scientifically-made programme. If it is implemented, Romania will change radically just in a few years.

Victor Surdu, deputy, Agrarian Democratic Party leader: A difficult programme, but I am sure it will be well. I do not know many of the members of the government, but—as they have been introduced to us—I have confidence in them.

Coriolan Bucur and Petru Burca, deputies on behalf of the Romanians' National Unity Party: The programme was a very pleasant surprise. We expected a set of real measures, but we did not imagine it to bring such a radical change of opinion. We are also waiting for clear stands on Transylvania.

Ion Negut, deputy on behalf of the Romanian Social Democratic Party: I trust the new government. The mistrust of some of the new ministries is justified by the fact that many deputies do not know them, but this is not a reason to worry.

* Miners Attack on 'ROMANIA LIBERA'

90P20049A Bucharest ROMANIA LIBERA in Romanian 19 Jun 90 p 2

[Article by Anton Uncu: "Why We Did Not Publish"]

[Text] Miners from the coal-mining areas came to pacify the country. Their march began at the very moment that the broadcast of Romanian Television was interrupted because of bands of hooligans and madmen, armed with Molotov cocktails, crowbars, and knives, who had nothing in common with the hunger strikers and students in University Square.

Several hours after things began to calm down and the police and the army were in control of the situation, the first groups of miners began to arrive. And the violence began again, ruthlessly and, especially, indiscriminately, against the headquarters of political parties and the leaders of these parties and against all those who gave the impression, by their behavior, dress, or appearance that they might be against the government or against Mr. Iliescu. The activities which the rowdies and thugs had begun at Romanian Television headquarters and at the Bucharest police headquarters were continued by the miners at the university, at the faculty of architecture, at the headquarters of the National Liberal Party and the National Peasant Christian Democratic Party, and in private residences.

On the morning of 14 June, the editorial offices of DREPTATEA, EXPRES, 22, BARICADA, and ROMANIA LIBERA were attacked, occupied, and sacked, one after the other. About 0830, a large number of people came into the editorial office of our newspaper. They appeared to be, or perhaps even were, typesetters, mostly women. They threatened and struck the secretary, Mariana Bandu. During the morning, three massive waves of miners, armed with crowbars and axes, occupied the editorial offices without causing any damage. They summoned the management of the "Free Press" printing combine (Gentlemen, how free the press is!) and representatives of the typesetters, banning the publication of ROMANIA LIBERA, threatening to return if their demand was not satisfied. The leader of the miners, Eng. Nicolae Camarasan, said that the ban stated by the miners remains valid even if the government is of another opinion.

In connection with these events, Director General of Radiotelevision, Emanoil Valeriu, considered it inopportune to take into account the protest of the executive committee of ROMANIA LIBERA.

By evening, two proofreaders of the newspaper, Maria Haski and Simion Buia, were singled out by the miners. Buia was beaten in a beastly manner and then set free by Rear Admiral Dumitrescu, who was in a pitiful state himself after an encounter with the aggressors in front of the headquarters of the Bucharest police. Eight miners, accompanied by representatives of the police, made a "routine" investigation at the home of our photoreporter Mihai Popescu Stoenesti. Fortunately, they did not find what they were looking for. Beginning on the night of 13 June, a large number of members of the editorial staff received death threats and warnings.

On 15 June, during a press conference, a spokesman for the prime minister, Cristian Unteanu, stated that Petre Roman did not want ROMANIA LIBERA to stop publishing. In light of this and in accordance with the laws in force, the action of the leader of the free trade union of the miners, Mr. Camarasan, preventing the publication of the newspaper by occupying the editorial offices and intimidating the typesetters is a serious crime. We are informing Eng. Nicolae Camasan that in addition to the serious moral damage inflicted upon the editorial staff, the financial damages resulting from the failure of the paper to publish amount to more than two million lei. We are asking the government of Romania to provide military protection, in accordance with the laws in force, as has been guaranteed to the other editorial offices and we are asking the Public Prosecutor's Office to punish the perpetrators of these arbitrary actions.

* Change of Tactics Demonstrators' on 12 June

90P20048A Bucharest ADEVARUL in Romanian 12 Jun 90 p 1

[Article by Sergiu Andon]

[Text] The long-awaited, but unexpected, dialogue between the "hooligans" and the government took place in a rapid and deferential manner. Was this only because both parties wanted a conclusion? We believe that this was not the only reason, judging by the fact that the dialogue was relegated to second place, eclipsed by the massing of supporters of the hunger strikers in front of the governmental palace and by their attempt or pretended attempt to occupy the building.

If we observe the events from afar, including their more shocking features, we can deduce that the demonstration did not have any political or social purpose, and that the entire political activity during the afternoon was, in reality, an experiment with tactics, forces and modes of action under the new conditions, in the period inaugurated by the elections and the start of operations in the legally elected institutional organs of the state. The demonstrators acted less virulently and less insistently than under similar circumstances in the past. Even if their actions were premeditated enough to prepare a strip with tacks to put under the tanks (without knowing that the tires of the tanks inflated automatically in the case of puncture) the new tactics of the disturbers is becoming one of "hit and run."

The instruments of power, the army and the police, proved more numerous and more determined in action. The tendency to exonerate and to minimize even the slightest signs of repression and to discount blows on the back by a rubber night stick still exists.

A new type of demonstrator, a sort of psychological rear guard, has made its appearance. Their representatives stay with or beside the military men and politicians, stressing morale by means of "man to man" discussions. A new tactical element was the flights over the area by helicopters, even though justification was found for the flight (flying banners announcing "Civil Aviation Day"). Perhaps the representatives of law and order were testing the terrain by this means. We do not know how the reaction of the pedestrians looked from the helicopters but the experiment was uninspired. Social antipathies are not banished by provocations.

The "tactics" and attitude of neutral persons, which represented the majority of the population, were a separate case. At the beginning of the television coverage, various residents in the vicinity quickly appeared in the square, some of them in very casual dress. Their thought was to "save the government" and they were amazed to find out that the government was not in danger. Instead of enjoying themselves, they growled. Their growls were amplified by others who had come with less heroic intentions. The assurances by the police that nothing had happened stirred them up even more. We hope that residents of this type are on guard and that they are not preparing to come to squares where there are serious clashes, just like some people go to the scene of traffic accidents.

One question remains: Why is there a change in tactics? We are referring, of course, to those who gave the first signs of change, to the persons disputing the institutional bodies. We wish that the response were a mistake: The tactics are changed because the strategy remains the same. The strategy of a prolonged, exhausting war.

Former Deputy Premier on Minority Situation

AU2906090490 Budapest NEPSZABADSAG in Hungarian 27 Jun 90 pp 1, 3

[Interview with Janos Fazekas, retired Romanian deputy premier, by Peter Vajda; in Budapest, on 26 June: "Fazekas Was 'Sunday'"]

[Text] Retired Romanian deputy premier Janos Fazekas is visiting Budapest.

[Vajda] Mr Fazekas, once you were part of the Romanian leadership, but you spent the last decade of the Ceausescu-regime under house arrest. When did you clash with the dictator?

[Fazekas] Ceausescu first formulated the program of so-called homogenization of Romania's population on Teacher's Day in 1968. He said that he included the Hungarians, Germans, and all the other nationalities in the Romanian nation. He said this in a speech given on a Saturday, and I called upon him in Snagov the next day and we had a tough debate with this deeply chauvinistic dictator. I told him that I, Janos Fazekas, was not of Daco-Roman origin, but he did not want to understand this. He stammered, as he always did when he was nervous, and he shouted so loudly that his wife also came down from the upper floor, but he sent her away rudely. He also accused me of trying to sell Transylvania and of being revisionist on border matters. However, as a realistic politician, I knew that there were five million Romanians and 2.5 million Hungarians living in Transylvania. Ceausescu was also incapable of understanding that the Hungarians in Romania can be citizens of Romania but, through their culture, historical awareness, traditions, and language, they are an organic part of the Hungarian nation.

[Vajda] In addition to its historical interest, does this debate have anything to do with the present?

[Fazekas] I recently read the text of the oath taken by President Iliescu at his inauguration ceremony. This text reminded me of my debate with Ceausescu when he took the oath to the Romanian socialist nation. I had reason to remember this because Iliescu's oath includes the Ceausescu concept: "I take the oath of allegiance to the Romanian people...." If Iliescu wants to remain president, he should have taken the oath of allegiance to the Romanian nation and also to the Hungarian, German, and other national minorities living in Romania!

Naturally, we can also deal with another matter. A proposal made by Dr Cojal, deputy chairman of Vatra Romaneasca, appeared recently in which he claims that the Szeklers of Transylvania are not Hungarians but Magyarized people, and therefore, Szekler-language schools should be set up. As an answer, I wrote to him that Dacian language schools should be set up in his area, since the Romans changed the Dacian language to their image.

[Vajda] In connection with the national minority policy of Vatra Romaneasca, you mentioned the fact that there are not only debates of principle with them, like on the issue of the Szekler's origin, but one can also see the role of this organization in the tragic events in Marosvasarhely [Tirgu Mures]. Can international legal means be applied against the Vatra Romaneasca?

[Fazekas] The Paris peace treaty bans the activity of fascist or pro-fascist organizations. Referring to this clause, I have already demanded that the Romanian Government ban the Vatra Romaneasca. Profascist organizations should not emerge either in Romania or in Hungary.

[Vajda] As far as I know, your argument with Ceausescu was not confined to the theoretical level, and you began organizing the Hungarians in Transylvania. Can we regard that organization as the predecessor of the current Magyar Democratic Union of Romania [MDUR]?

[Fazekas] When it became clear that Ceausescu wanted to eliminate the Hungarians in Transylvania, we organized the Hungarian Democratic Federation in Transylvania. This was 1973. The dictatorship failed to discover this illegal organization. We knew how to keep secrets and we did not include anyone from among those whom we particularly cared for, like the writers. Everyone had a cover name. The narrow leadership had the days of the week as cover names.

[Vajda] What was yours?

[Fazekas] I was "Sunday."

[Vajda] Who else was active in this leadership among the Hungarian figures in Transylvania?

[Fazekas] I cannot yet disclose that. One person came from Bucharest, the others from the Szeklerland.

[Vajda] What did this organiztion do?

[Fazekas] Among other things, we formulated a memorandum to the four big powers who signed the Paris peace treaty, and this was also sent to the leaders of Hungary and Romania.

[Vajda] Did this memorandum reach the Romanian leaders?

[Fazekas] I know that it reached the Hungarian leaders and that it reached the Romanian leaders through Bulgaria. In this memorandum, we pointed out that we did not want to change the borders but we asked the four big powers who signed the peace treaty to formulate a document with the participation of authentic representatives of Hungary, Romania, the Hungarians in Transylvania and the Germans in Transylvania and Banat. As an appendix to the peace treaty, this document would stipulate individual and collective national minority rights.

[Vajda] Obviously, many years have passed since this proposal....

[Fazekas] But it continues to be timely because, as we can notice, Premier Petre Roman does not want to recognize these rights. Therefore, I opposed his reelection and I also expressed this in a letter sent to Iliescu. In this letter, I described Petre Roman's responsibility for the pogrom in Tirgu Mures. I do not trust Petre Roman, but I have some hopes in Iliescu. We do not want to be the objects of the national minority policy; we would like to be the subjects of such a policy.

[Vajda] In conclusion, you knew Ceausescu quite closely. What kind of man was he?

[Fazekas] He was an illiterate and chauvinistic scoundrel, but a very shrewd man. He fooled everyone, with the exception of Reagan, Bush, and Mitterrand. Among the leaders of the so-called socialist countries, he only failed to really fool Janos Kadar. It is true that we were in contact with Janos Kadar and I wrote to him not to repeat that anemic document he had extorted from Ceausescu at their meeting in Nagyvarad and Debrecen.

[Vajda] Did Kadar answer your letter?

[Fazekas] Yes, he did, and admitted that I was right. He never met Ceausescu again. He did not make the same mistake as Grosz did with his meeting in Arad.

[Vajda] Did you not warn Grosz before the meeting in Arad?

[Fazekas] Prior to the meeting in Arad, I sent him a 14-page letter and advised him how to deal with the dictator. I personally took the letter to the Malev airplane which was carrying my son and my sick grandson to Budapest. The letter did not reach Grosz; I consider this to be mean. If he had received my letter, perhaps he would have negotiated differently in Arad....

Writer Suto Comments on Minority Situation

AU2706120590 Budapest NEPSZABADSAG in Hungarian 25 Jun 90 pp 1, 4

[Interview with writer Andras Suto by Peter Vajda in Budapest on 24 June: "Andras Suto in Budapest Again—I Will Continue To Do Everything That I Have Been Doing so Far—Exclusive Interview by NEPSZABADSAG"]

[Text] Andras Suto arrived in Budapest from New York on 24 June. He was received at the Ferihegy Airport by his friends and followers. A few hours later, he gave an exclusive interview to NEPSZABADSAG.

[Vajda] What are your plans for the near future?

[Suto] There are different things that I must do in the very near future. First of all, further treatment following my eye surgery. Second, I want to personally meet with those who, by their solidarity, made it possible for me to go to Boston to have my damaged eye operated on. I would like personally to express my gratitude to former premier Miklos Nemeth and his staff. Their readiness to help was decisive at the time. Then, I will go home to Marosvasarhely [Tirgu Mures]. However, prior to my return, I want to contact the people there to get objective information about the situation. Naturally, irrespective of the results of this information, I will go home in any case. I want to help Laszlo Tokes and Geza Domokos, both as a man and as a writer.

[Vajda] What problems do you want to learn about prior to your departure?

[Suto] Among other things, I want to know the extent to which the Romanian judiciary kept President Iliescu's promise to call to account the organizers of the pogrom in Tirgu Mures. I cannot judge from here the entire picture of what happened there. However, I also heard some alarming news. According to these reports, the victims, rather than the killers, were punished after the events in Tirgu Mures.

[Vajda] How can you sum up your trip, now that your visit in the United States has ended?

[Suto] This trip took place in the last period of my visit in the United States. After my hospital treatment, I had to go back to Boston once a week and later twice a week for check ups, and this was a problem. In any case, during the last period of my visit in the United States, when I felt a little better, I met with Hungarians in America and with congressmen and senators. I exchanged views with Mr. Lantos and with Mr. Hutchings, a leading member of the National Security Council, one of President Bush's advisers. In Ottawa, I met with parliamentary deputies. During my talks with North American politicians and press, I got the impression that, as a result of recent events, they see the problem of national minorities in Romania in a different way than before. A certain change has nevertheless taken place since the shameful declaration that considered the minority issue as an internal affair. The essence of this change is that people here no longer regard this an internal affair. I also noticed that quite a few politicians here analyze the Ceausescu-phenomenon self-critically. As they also see it now, this Eastern Europe impostor fooled the U.S. Administration in many respects. Among other things, he convinced the U.S. leaders that he guaranteed human rights in Romania and that he was conducting an "independent policy" which the United States should support. Those whom I met no longer forget the issue of national minority rights when talking about human rights.

[Vajda] In your view, can we expect stronger pressure on Romania from the U.S. officials to guarantee national minority rights?

[Suto] Naturally, the question is what can we call "pressure." However, there will probably be conditions to whatever aid is given Romania, either financial or political. Hopefully, and most probably, guaranteeing the rights of national minorities in Romania will be one of these conditions at ministerial or presidential level.

[Vajda] Some people may find the following question justified: After all that happened to you, are you not afraid to return to Tirgu Mures?

[Suto] Naturally, ever since the Trianon Peace Treaty, the life of the Hungarians in Romania has been full of fear. The pogrom in Tirgu Mures was supposed to implement the goals stipulated in the secret program of Vatra Romaneasca. The essence of this program is that the leaders of the Hungarians in Romania should be put out of the way by all means. Therefore, in answering your question about my person, obviously, one cannot go back without fear to the place where, after the lynching attempt, those killers shouted for hours on 19 March to get the heads of the Magyar Democratic Union of Romania and hang them. However, fear is something to be overcome and one should act according to one's conscience. I will continue to do everything I have been doing so far, and I will fight for equal rights for the national minorities. As for my own personal safety, the Hungarians in Romania will continue their struggle for rights with me or without me. They have no other way.

Arrests Made, Goods Confiscated in Crackdown

AU2906105390 Bucharest ROMPRES in English 0839 GMT 29 Jun 90

[Text] Bucharest ROMPRES 29/6/1990—As many as 1,864 people were caught throughout the country over the last week of which 34 broke the law, 985 were engaged in unlicensed trade and 129 in gambling. Six people were taken in custody.

Of the people inquired, 13 were foreigners (8 Poles, 2 Bulgarians, 2 Czechoslovaks, and a Russian), from whom goods worth about 210,00 lei were confiscated.

All in all commodities worth over three million lei were confiscated from the people investigated.

Presidency Discusses Constitutional Amendments

LD2806214890 Belgrade TANJUG Domestic Service in Serbo-Croatian 1302 GMT 28 Jun 90

[Text] Belgrade, 28 Jun (TANJUG)—The SFRY Presidency, presided over by Dr. Borisav Jovic, today examined information on the activities of the SFRY Assembly and the republican and provincial assemblies on the adoption of amendments to the SFRY Constitution. The Presidency stressed the importance of these constitutional changes for our economic and political reform which are currently under way. In that context, the need was emphasized for competent bodies to rapidly overcome the remaining questions in view of the timely implementation of constitutional changes.

The Presidency concluded, according to a report, that it should also take an active part, together with republican and provincial presidents, in resolving, i.e. diminishing the number of contentious questions, before establishing proposed amendments to the SFRY Constitution in the Federal Chamber of the SFRY Assembly.

Federal Chamber Adopts Penal Code Amendments

LD2806163890 Belgrade TANJUG Domestic Service in Serbo-Croatian 1458 GMT 28 Jun 90

[Text] Belgrade, 28 Jun (TANJUG)—At today's session, the Federal Chamber of the Yugoslav Assembly adopted amendments and addenda to the SFRY Penal Code. Undefined subjective notions such as "hostile propaganda" and "out of hostile motives" were dropped from descriptions of criminal acts. The amendments and addenda to the Penal Code considerably narrow the scope for prosecution for political criminal acts. The possibility to punish someone for the so-called verbal offense is thus, for all intensive purposes, ruled out.

Views Future Foreign Policy

LD2806204890 Belgrade TANJUG in English 1824 GMT 28 Jun 90

[Text] Belgrade, 28 Jun (TANJUG)—Yugoslav foreign policy over the next period should devote particular attention to linking the country to European integration processes, the Yugoslav Parliament Federal Chamber concluded at today's meeting in Belgrade.

Adopting conclusions following Yugoslav Foreign Secretary Budimir Loncar's recent speech on the country's foreign-political activity, the chamber also underscored the importance of Yugoslavia's comprehensive and active role as the chairman of the Non-aligned movement.

The Yugoslav Parliament Federal Chamber members also upheld the orientation for the full normalization of relations with Israel. The Federal Government has been given the task to establish, from the stand point of Yugoslav interests, the most favourable moment for re-establishing the diplomatic relations.

Fails To Agree on Multiparty System

LD2806224690 Belgrade TANJUG in English 2139 GMT 28 Jun 90

[Text] Belgrade, June 28 (TANJUG)—Although for the first time in 45 years the communist party flag was not hoisted up along the state flag in front of the Federal Assembly building today, the deputies inside did not manage to agree on legalizing the multi-party system.

Following a proposal of 17 members of the delegation from the northwestern republic of Slovenia, the vote on the Federal Government proposal to urgently reach a law on political organizing was postponed for the third time.

The delegates from Slovenia, where the first post-war multi-party elections in the country were held in April, question the constitutional basis for bringing the law on political parties at the federal level.

The essence of the dispute is whether the matter is in the power of the federation, as proposed by the government of Prime Minister Ante Markovic, or in the legal authority of individual republics, as demanded by Slovenian delegates.

Federal Justice Secretary Dr Vlado Kambovski pointed out that political pluralism has long been a fact of life in Yugoslavia, and that the until-recently dominant League of Communists of Yugoslavia has officially given up its leading role in society.

Besides, there are no limitations for political organizing in the federal constitution. Practically and theoretically, there are no constitutional obstacles to the law, Dr Kambovski said.

The federal chamber, one of the two chambers of the Federal Assembly, has authorized the legislative commission to determine the constitutional foundations for the law by 18:00 hours on Friday.

If the moot point is cleared, or if Slovenian delegates give up their demand, the debate on the law will continue on Friday or Saturday.

Vote on Serbian Constitutional Referendum Begins

LD2806224190 Belgrade TANJUG Domestic Service in Serbo-Croatian 1615 GMT 28 Jun 90

[Text] Belgrade, 28 Jun (TANJUG)—Serbian citizens in municipal electoral commissions started voting today at 1200 on a proposal that a republican constitution be adopted according to the initiative of the Serbian Presidency, and that multiparty elections be called after its adoption.

This early voting, which is organized for those who are either going on summer vacation or are unable to vote in a referendum for other reasons, will be carried out in the next three days from 1200 until 2200. All such ballots will be put in envelopes and will be held until the end of the referendum.

All technical preparations for the referendum to be held on 1 and 2 July have been completed. Posters and ballots have been printed. Numberous ballots have been printed in the various national languages.

A proposal, to first adopt the constitution and then to call elections, will be considered as acceptable, provided that more than half of the 6.6 million eligible voters vote for it. This is the estimated number of voters in Serbia.

First results of the referendum will be known on 3 July and final results will be released on 5 July.

Kosovo LC Urges Support

LD2806202390 Belgrade TANJUG Domestic Service in Serbo-Croatian 1553 GMT 28 Jun 90

[Text] Pristina, 28 Jun (TANJUG)—At its session today the Kosovo League of Communists [LC] Provincial Committee Presidium (chaired by Rahman Morina) assessed that, as announced, the decision to hold a referendum on Serbia's new constitution is in line with the latest efforts and commitments to democratize overall relations in society and to enable citizens to directly influence decision making on the most significant issues. The anxiety and repulsion of the leaders of certain opposition and alternative organizations in Kosovo, in Serbia—which have hitherto used democracy as a guise rather than as a means of political influence among citizens—toward the referendum is understandable. The call to boycott the referendum is an undemocratic act since in advance it imposes a negative attitude toward an issue which the citizens should decide on freely.

The Kosovo LC Provincial Committee Presidium calls on the Kosovo LC membership and all our province's citizens to take part in the referendum on 1 and 2 July and to freely decide according to their own personal views. In the name of democracy and one's own dignity, one should not be misled by any form of manipulation.

Janez Drnovsek Discusses 'Secession Law'

AU2806101790 Ljubljana DELO in Slovene 23 Jun 90 p 20

[Interview with SFRY Presidency member Janez Drnovsek by "journalists and editors of DELO," prepared by Vlado Slamberger, in DELO editorial offices; date not given: "Serbia Is Most in Hurry About the 'Secession Law'"]

[Text] [DELO] Slovenia and Croatia are resolutely in favor of a confederal system in Yugoslavia. What is the attitude of the SFRY Presidency toward these proposals ?

[Drnovsek] In the talks with the republican presidents, we have heard the positions we expected from the republics. The Slovene and the Croatian presidents presented the idea of a confederation as the only acceptable one, but the others think more or less that Yugoslavia should be a firm modern federation. The view of Serbia, and some others who are in favor of a strong federation, is interesting: he who is not prepared to cooperate in it should get out, they say. In this sense we have proposed to the Federal Executive Council that it should begin drafting a bill on secession, if anybody were not prepared to stay in this state under the conditions adopted by a majority. This should be the last way out, if a comprehensive agreement cannot be reached among the republics. Bosnia stresses above all the inviolability of the Bosnian borders and sees its prospects only in a Yugoslav federation. The thinking is similar in Macedonia which feels threatened by its neighbors, and in Montenegro. In the first stage, it has already been shown that it will not be simple to find a joint solution acceptable to all. Therefore the SFRY Presidency will meet the expanded republican leaderships within 14 days. In the next round, it should submit a proposal of variations [variantni predlog] which would be more specific.

[DELO] Are there any rough outlines yet as regards the law on secession?

[Drnovsek] No. A working group of the Federal Executive Council should now begin drafting such a proposal. I would have expected that Slovenia and Croatia would push for this law, but this tendency is now more evident in Serbia.

[DELO] One of the conditions for the inclusion of Yugoslavia in the Council of Europe is free, democratic, multiparty elections all over Yugoslavia. It is asserted in Serbia that such elections are not possible there this year, because they must first adopt a new constitution. What is your view of this?

[Drnovsek] As regards Serbian and federal elections, it is several months since we adopted the stance that multiparty elections be held all over Yugoslavia and we extended the deadline for elections to the Federal Assembly until the end of the year. We expect that these elections will be held everywhere by the end of the year. At present, Serbia in particular is indeed questionable, if I may say so, but it is difficult to predict the development of internal events in that republic. It is the opinion of the federal Presidency that elections should be held by the end of the year at the federal level, which includes Serbian elections. We will try to influence this. We could hold elections to the Federal Assembly even if one of the republics does not have elections by the end of the year, but it is not quite clear how this would look.

[DELO] The SFRY Presidency initiative for a new constitution is still under discussion. Does this mean that this initiative no longer is a binding foundation?

[Drnovsek] I have proposed that we withdraw the formal initiative by the SFRY Presidency for a new constitution from discussion, because so much has happened in the last half year that it is unrealistic to expect that new relations in the country could be shaped on the basis of this initiative. The majority of the SFRY Presidency members have been of the opinion that the formal initiative should remain under discussion, which has happened. However, this does not mean that it will stay as it is, but it may change in any form whatever, considering the new talks that we have set off.

[DELO] If we remain with the role of the SFRY Presidency, three more questions are of interest to us: What is your attitude to the reaction in Slovenia and Croatia to the speech by your colleague Borisav Jovic; secondly, as you know, the transfer of Territorial Defense weapons under the lock and key of the Yugoslav People's Army has caused stormy reaction; and in this connection the fate of the Territorial Defense commander in Slovenia.

[Drnovsek] As to the first question, I would say that in many respects I did not agree with Jovic's speech. At my request, he included in his 13 points the one that we will begin talks with the republics, but Jovic's speech contained many points of emphasis which made it appear that the SFRY Presidency will talk with others from on high and that it threatens to take measures within its powers if the law and the Constitution are not consistently respected. After that, the situation in the Presidency has normalized to a considerable extent and talks with all the republican leaderships have now been accepted as our main job. All the rest is in the background.

Regarding your second question, you have published a public statement which we have adopted in the SFRY Presidency. We discussed the transfer of weapons only subsequently, after the reaction in Slovenia, and with the representatives of the General Staff of the Yugoslav People's Army present, together with the Federal Secretariat for National Defense, assessed that it was a routine technical matter. We also heard assurances that the weapons will be returned to Territorial Defense stores when technical conditions are met. It was particularly stressed that the competences of the Territorial Defense do not change at all, and that the move was made in conformity with the powers of the General Staff or the Federal Secretary for National Defense and in conformity with the existing acts; there was said to have been no need for any prior approval or decision by the SFRY Presidency. This was the majority decision at the Presidency's session. I personally was of the opinion that the Yugoslav People's Army should have consulted the state and republican presidencies before the move, or should have informed them in advance.

In fact, the Federal Secretary for National Defense has legal powers to decide on such matters independently, but it remains my opinion that one should have taken reaction into account and should have acted differently.

Third, it is true that the Slovene side has made the suggestion to relieve the Territorial Defense commander in our republic and that this is within the remit of the state Presidency. It has not yet reached a session of the Presidency. Probably it will be on the agenda before the next session of the Assembly of the Republic of Slovenia, but we must first obtain the view of the Federal Secretariat for National Defense. I do think that the entire affair is unnecessarily aggravated and intensified in Slovenia. Nobody now thinks about any "occupation" of Slovenia. In the modern world, which is characterized by a relaxation of tension and disarmament, it makes no sense to think that the sovereignty of Slovenia can be affected by the manner in which some rifles are stored. This applies in particular now when we have opened democratic talks on the future fate of the country and when the sovereignty of the republics can no longer be under dispute.

[DELO] In this political testing of strength, disagreements, and clashes, it appears that the economy is neglected because of politics. How would you answer the assertion that Ante Markovic, president of the Federal Executive Council, frequently dislikes the decisions of the SFRY Presidency or its inactivity? To what extent is the Presidency able rationally to support and assist in the latest Markovic measures under preparation? Is there really any disproportion between the powers of the state Presidency and the federal government?

[Drnovsek] If I start from the end, I may say that the relationship between the Presidency and the Federal Executive Council is not quite clear in the present legislation, for instance as regards powers in three fields: foreign affairs, internal affairs, and defense. In some cases there is a duplication and it is not quite clear who should play what role.

During the year that I was president, I and Ante Markovic cooperated very well. There were no differences between us in essential points. Ante Markovic decided very quickly in favor of political pluralism and a market economy. The basic aims were the same and I tried to arrange the work with Markovic in such a way that we bypassed resistance and helped to overcome it. I think that the role of the SFRY Presidency in introducing political pluralism and economic measures, and in the European foreign political orientation, was decisive. However, our publicity is worse than Markovic's, and the public therefore often ascribes these things to him alone.

[DELO] You were directly involved in the first package of Markovic's measures.

[Drnovsek] I cooperated rather actively in initiating and creating the anti-inflation program. During the terrific inflation last year it became clear that life in complete anarchy is no longer possible. In my opinion, the anti-inflation program was necessary, although at one stage Markovic was thinking that one need not act at once and that the anti-inflation program could be introduced only this year. However, such a high inflation causes excessive disharmony, causes harm to the economy and society, and must be stopped. So I invited Jeffrey Sachs, whom I had known for some time, to cooperate in the preparation of the program. He had much experience in other countries and his successful cooperation was very useful and successful; particularly because he is extremely convincing in explaining his views. I invited him to a session of the SFRY Presidency at which we had a long discussion and he presented his views extremely convincingly. He also played a similar role in the Federal Executive Council.

[DELO] But you also consulted others, especially the IMF?

[Drnovsek] Yes, we had consultations with the IMF and with other domestic and foreign economists all the time, and the program also develops according to their predictions. It was clear in advance that if the program succeeds—but there was no guarantee that it will succeed and that we will stop inflation—we will land in ancillary difficulties which we now have: bankruptcies, restructuring in all its acuteness, and too little money for rapid new economic growth.

It has been shown that the systemic changes last year were not as profound as the Federal Executive Council thought; many were superficial. The entire banking system remained untouched in its bureaucratic inefficiency and all its amassed losses from the previous years. There was much inertia in the economy, vegetating continued from the previous years, and the process of the weak dying off did not even begin. This is now facing us.

After all this, I am still convinced that the anti-inflation program was necessary. If we still had inflation as high as last year—or rather it would certainly be ever higher now—the confusion would be complete. As it is, some negative traits have appeared much more clearly and they can no longer be covered up, as they were at the time of inflation. Now we have a clear picture of who is weak, and unfortunately there are many. Therefore the sobering of the economy will be extremely painful.

[DELO] All that you are now saying has been felt very much by the Slovene economy, too....

[Drnovsek] It certainly causes concern that the Slovene economy also entered this stage in an extremely critical situation. I am worried because some bankruptcies, such as of Elan [ski and sports equipment manufacturer] and others, were quite unexpected. This causes considerable concern before the new stage of political negotiations, because the economic position of Slovenia may continue to deteriorate intensively. This is the first and great difficulty, because all the talk about economic sovereignty appears rather ridiculous considering the chain bankruptcies that we may expect.

[DELO] How would you comment on the disharmony between the favorable assessments by the IMF, expressed by Richard D. Erb, IMF deputy director, during his latest visit to Yugoslavia, and the fact that the Yugoslav economy is to a considerable extent collapsing if we may say so?

[Drnovsek] Mr. Erb gave an extremely positive appraisal of the implementation of the anti-inflation program, which exceeds the IMF expectations; at the same time the IMF is aware of all the problems that are facing us and it thinks that we must anyhow tackle them sooner or later. Year after year we pushed them aside, and the confrontation is therefore much more difficult. Mr. Erb also thinks that the focus of the economic policy should now be shifted to the taxation policy, that the tax burden on the economy should be reduced, and at the same time the rescue processes should be initiated, especially in banking and in large enterprises that are in difficulties. It is clear that we must establish stable economic growth and reduce unemployment as soon as possible. Essential problems of ownership reform are still ahead of us.

We must be aware that this will be very difficult, but at the same time we are consoled by the assessment of the IMF and numerous other experts that the situation in Hungary, Poland, and other East European countries is incomparably more difficult than in Yugoslavia and that the Yugoslav economic difficulties are still more easily resolved than those in any other East European or Central European country.

[DELO] Within this complex, the rate of exchange is one of the most painful problems. Many economists, especially Slovene, say that seven dinars for one German mark is unrealistic, and that exporters suffer the greatest losses. What is your opinion about the present rate of exchange, considering that you certainly participated in fixing it?

[Drnovsek] My opinion is very similar to that of the IMF, to the effect that we cannot change the rate of exchange as long as foreign exchange reserves are rising, because of the current balance of payments situation. Second, a devaluation would erode the credibility of the entire program and would bring the convertibility of the dinar under scrutiny. Third, it is true that the previous automatic adjustments of the exchange rate to inflation meant to a considerable extent an automatic covering of uneconomical activities and of losses. A stable exchange rate put everybody into a position when they must search for others ways to increase the profitability of operations and to make them more efficient. Until now, one could do more with price moves than with rationalization and other entrepreneurship efforts. In the recent period, this lulled the Slovene economy, to a considerable extent, to sleep, so that it relied excessively on financial speculations; these were possible under terrific inflation when everybody was dealing in money and earned considerable sums from these dealings, or automatically relied on corrections of an active exchange rate policy. All this is part of the facing of reality, and the Slovene economy must also confront it.

In general the rehabilitation of macroeconomics brings about some additional effects: Among other things, it seems that we will not be able to reprogram our foreign debt to the government creditors in the Paris Club. They also think that our foreign exchange reserves are too high and that we are now able to service our debts. This makes our position more difficult, because our economy's accumulation is very low and the repayment of the interest and the principal of these debts will be an additional burden. On the other hand, this opens for us the way to normal financing in the international monetary markets; this way has been closed to us because we had the classification of being unacceptable to normal financial markets.

[DELO] How do you assess the chances of the final success of Markovic's program, considering that the basic question—a reform of ownership—has not been tackled yet?

[Drnovsek] In this respect we must hurry indeed. The ownership transformation is now crucial and the federal government should propose radical solutions very quickly. This question is topical all over East Europe. There is no pattern and there are no guarantees that the transformation will not be exceedingly uncontrolled. Perhaps the GDR will be the best example and I will try to follow it closely. The West Germans, together with the East Germans, are preparing a project for the transformation of ownership and of the system in general. Perhaps this will be a very interesting comparable example for all of us. We have not hurried so much that we would have our own solutions for others to copy, and therefore others are, to some extent, overtaking us.

[DELO] Do tell us how you cooperate with the new Slovene authorities?

[Drnovsek] This cooperation has been very good and there has been no difficulty whatever so far. In a way, cooperation is even easier than it was in the time before the elections, when everybody was preoccupied with election problems. For the time being I am very pleased with cooperation, and we especially talk about how to regulate the new relations in the country.

[DELO] In conclusion, we ask you to comment on the latest complications in relations with Greece.

[Drnovsek] In essence there are three open questions: first, neighboring, bilateral relations with Greece which this year is not satisfied with the number of transportation permits and has aggravated relations with us, using this also in its internal political campaign; second, the relations within the EC; and third, the question of the minorities and the nonrecognition of the Macedonian nationality by Greece, which is intensified by the border complications.

Our country has always tried to begin a constructive dialogue with the Greeks, but they did not take the proper steps in response, obviously because the complication has its internal political dimension in Greece. Thus there has of yet been no meeting of the two foreign ministers, which is chiefly the fault of the Greeks because of its procrastination. The meeting has been postponed for the time being. In the Presidency, we decided that we will search for a constructive solution in a direct dialogue, but that we will begin introducing reciprocity in mutual relations; thus the Greek aggravation at the border has met with equal steps on our side. We have aggravated the relations in our wish to settle the episode as soon as possible; we have proceeded from our realization that our concessions so far have not yielded any results. The EC also cannot objectively support Greece in this matter and I think that this complication cannot endanger the relations between the EC and Yugoslavia. Of course the dispute, if I call it so, with the Greeks is above all a primary subject in Macedonia, which expects the protection of the country, so that the said measures had to be taken.

Serbian Assembly Passes Law on Political Parties

AU2806145390 Belgrade POLITIKA in Serbo-Croatian 27 Jun 90 p 5

[Ivana Anojcic and Rade Rankovic report on second day of the session of the Assembly of the Socialist Republic of Serbia held in Belgrade on 26 June: "Draft Amendments to SFRY Constitution Endorsed"]

[Excerpt] At yesterday's session, delegates in the Assembly of the Socialist Republic of Serbia gave their endorsement to the amendments for changing the SFRY Constitution with four votes cast against. Judges were also appointed to the republic's Constitutional Court and a new electoral law was adopted.

The work of the Assembly continued at separate sessions of the Chambers, which debated the Law on Political Parties and the Law on the Activities of the Republican Organs in Special Circumstances. Both of these laws were also passed yesterday. [passage omitted]

Government Denies Food Poisoning in Kosovo

LD2806221690 Belgrade TANJUG in English 1935 GMT 28 Jun 90

[Text] Belgrade, 28 Jun (TANJUG)—The mass discomforts manifested by ethnic Albanian pupils in Yugoslavia's southern Province of Kosovo this spring, was not an epidemic of a contageous disease or food poisoning, it was concluded by the Federal Chamber of the Yugoslav parliament today.

The Federal Chamber, one of two chambers in the Yugoslav parliament, adopted an assessment of an expert commission of the Work and Health Secretariat, together with a report on the mass appearance of health problems in the province where a strong separatist movement of the majority ethnic Albanian population is active.

The mass number cases can be explained as a psychologically generated reaction, the commission concluded, which comprised the most eminent experts in this field from Belgrade, Zagreb and Ljubljana, known outside Yugoslavia's borders.

SDZ Appeals for Slovene Sovereignty

AU2906073290 Ljubljana DELO in Slovene 25 Jun 90 p 2

[Marko Pecaver and Veso Stojanov report: "Appeal to the Assembly to Implement Full Sovereignty of Slovenia"]

[Excerpt] Ljubljana, 24 Jun—One of the most interesting documents that the delegates of the second regular congress of the Slovene Democratic Alliance [SDZ] adopted today would certainly be a declaration on the full sovereignty of the Republic of Slovenia. The declaration was drafted in the congressional commission dealing with relations between Slovenia and Yugoslavia.

The proposal for the adoption of such a declaration was made by the SDZ delegates from Kranj who demanded that the Republic's Assembly should act to annul federal legislation in Slovenia. Other delegates supported this proposal, so that the declaration was adopted after a short discussion at the plenary session today with tumultuous applause and loud approval. At the next parliamentary session, the SDZ deputies will propose that the assembly should adopt the declaration on full sovereignty for Slovenia. The declaration will be offered beforehand to the other parties within Demos [United Opposition of Slovenia] for their acceptance.

[The following passage appears boxed within the body of the item]

Proposed Declaration on Sovereignty of Slovenia

At a joint session on 2 July 1990, the Slovenian Assembly adopted and promulgated the "Declaration on Full Sovereignty of the State of the Republic of Slovenia."

1. In accordance with Amendments IX, X, and XCII to the Constitution of the Republic of Slovenia, and proceeding from Article No. 3 of the SFRY Constitution and the provisions of the International Covenant on Human Rights, the Assembly of the Republic of Slovenia proclaims the full sovereignty of the Republic of Slovenia, as a state of the Slovene people and all citizens of Slovenia, which is founded on the sovereignty of the Slovene people and citizens of the Republic of Slovenia.
2. The political, economic, and legal system of the Republic of Slovenia is founded on the Constitution and the laws of the Republic of Slovenia. All other legal acts, including the SFRY Constitution and the federal laws, are valid on the territory of the Republic of Slovenia only insofar as they are in accordance with the Constitution and laws of the Republic of Slovenia. International legal acts are valid in the Republic of Slovenia as equal legal acts from the day they are ratified by the Assembly of the Republic of Slovenia.
3. In accordance with the principles of state sovereignty and the principles of the supremacy of the Constitution and the laws of the Republic of Slovenia, the Assembly of the Republic of Slovenia orders that all federal organs on the territory of Slovenia shall operate in accordance with the valid legal order in the Republic of Slovenia, defined in the second point of this declaration.
4. In accordance with this declaration, the Assembly of the Republic of Slovenia shall pass a special law on the validity of federal regulations on the territory of the Republic of Slovenia.
5. The Assembly of the Republic of Slovenia must implement the envisaged procedure for the valid acceptance of the self-determination of the Slovene people within one year.
6. This declaration comes into force on the day it is adopted and ceremoniously promulgated at a joint session of the chambers of the Assembly of the Republic of Slovenia.

Dr. France Bucar, president of the Assembly of the Republic of Slovenia. [end of boxed passage]

The Program Commission adopted, without much discussion, a resolution of the congress which defines the relationship between the SDZ and Demos. The resolution says among other things that the SDZ will resolutely insist on the coalition agreement that was jointly agreed upon and signed, and will do so at least until the key points of the agreement and of the coalition program are realized. These points are concentrated in the simple demand for Slovene independence and sovereignty to be anchored in the new Slovene constitution. [passage omitted]

DELO Views Congress

AU2906072990 Ljubljana DELO in Slovene 26 Jun 90 p 10

[Boris Jez commentary: "Hot Potato in One's Hand"]

[Text] In 1776, thirteen North American British colonies adopted the Declaration of Independence, which is still the foundation of the statehood of the United States; this year, Lithuania with a single act proclaimed its independence and it is difficult to believe that it will ever be prepared to amend or even renounce this document; however, the Slovenes are losing their way in a forest of various "basic charters," "May declarations," "declarations of full independence," and the like, and we are still where we used to be, in a foreign house.

Although the new authorities have not been in the saddle for their 100-day trial period, they are already the target of remarks to the effect that they promised a lot about the sovereignty of Slovenia during the election campaign, but nothing has come of it. Lojze Peterle and Company are suspiciously cooperative in the Yugoslav field, the critics allege, so that the independence of Slovenia may in fact be effected by resolute Franjo Tudjman. It is therefore possible that the new establishment has taken such and similar reproaches to heart and "ordered" the recent congress of the Slovene Democratic Alliance [SDZ] to produce something to bewitch the public again for some time. Well, it is much more likely that the proposed declaration on full sovereignty of Slovenia arose spontaneously, because the SDZ again proved that it is a pronouncedly nationalist party and at the same time the "intellectual motor" of Demos [United Opposition of Slovenia] and the new power.

Anyhow, the proposed declaration is here now, and this constitutes a big sour apple that everybody participating in this Slovene "sovereign roulette" will have to bite in the coming weeks. As early as 2 July, France Bucar, president of the republican Assembly, should sign the document proposed by his party, which could make us conclude that the matter has passed coordination, as the former ruling men would say. Nevertheless we cannot be completely convinced that all those participating in the governing coalition, in one way or another, will be enthusiastic about it; the declaration as proposed means a great risk, much bigger than the benefit it promises.

Above all the SDZ proposes that only the republican Constitution and laws should be valid in Slovenia, and the federal legislation should be "admitted" to our backyard with a special law. Whoever knows about the terrific intertwining of the federal and republican legislation, knows very well that this simply cannot be implemented at this moment. It is not even so much a question of how we could win over the customs officials, inspectors, or soldiers loyal to Belgrade, but above all of the legal confusion that would arise and that would ultimately endanger even the "functioning" of the Republic of Slovenia. It certainly seems that many more practical roads are available to "full sovereignty" of Slovenia, and one should take into account that the Yugoslav federation is anyhow falling apart into its composite parts. In brief, it is difficult to imagine that the government will enthusiastically welcome the declaration and that it will throw itself into work at once; by the way, where should it start? Should it first expand "civilian" legislation to military courts, which is very important, or should it suspend the dinar, the real symbol and pillar of dependence, before that?

It would be even worse if the republican Assembly were to adopt the declaration, and then nothing further would happen. Now we are no longer in those "irresponsible" times when Smole's Socialist Alliance of Working People was inventing basic charters, and the opposition was able to counter with its May declarations; now a fully valid document of the Slovene parliament is in play, and according to international yardsticks it can be interpreted only as an act of secession. This is a serious act, and not a subject of an ad hoc declaration with which—if it were "to be shelved"—one can make a big fool of oneself.

The great majority of the Slovenes of course wish "full sovereignty," but it certainly is not prepared to entrust the key decisions either to the SDZ alone or to the parliament, which is susceptible to euphoria or to any directive of the new extraparliamentary power, which is even worse. If we proclaim independence—and let us hope that sooner or later we will!—we must do it after jointly thinking out, in a thorough way, the "sequence" in which the matters and events should develop. Above all this should happen with a single "Jefferson's declaration," which will come into effect without reserve "here and now"; the flood of charters, statements, declarations, and similar declarative documents not only obfuscates the matter but also wastes precious time, diverts attention to nonessential things, and finally makes us ridiculous in Yugoslavia and abroad. In fact we may slowly become quite unconvincing, because the Slovene "statehood" cannot be measured merely by the smoothness of Peterle's and Rupel's public appearances, because some firmer yardsticks exist.

Let us therefore hope that the new authorities in Slovenia lack their "coordination body," such as the old authorities possessed, and that the declaration on full SLovenian independence is a quite legitimate proposal by the "intellectual core" of Demos, but only a proposal that will have to be illuminated from all sides. It is to be seen whether the Assembly's discussion is the most suitable way for doing this, or whether the SDZ, with its proposed declaration, has in fact put a hot potato into the hands of the ruling coalition, a hot potato that will now have to be passed from hand to hand. Does this mean that the former "idyll" in Demos is over and that an open struggle is beginning between the "pragmatists" and "fundamentalists?"

The answers to such questions are usually expected from "history"; this time we will have only have to wait until 2 July for the answer.

'Postmodernist' Congress

AU2806145490 Belgrade BORBA in Serbo-Croatian 27 Jun 90 p 2

[Stevan Sicarov commentary: "A Kitchen With Strange Smells"]

[Text] The curve of the (multi)party scene in Slovenia ended up at its very center this weekend, at the second congress of the Slovene Democratic Alliance [SDZ], which is both in the ideological and operational sense, and according to the electoral results, the central party (which would mean somewhere in the middle) of the ruling Demos [Democratic Opposition of Slovenia] coalition. The SDZ has always had the upper hand: It was the first new party to be founded; it was first to demand parliamentary democracy, a market economy, and the independence of Slovenia; in the election race it was the first to stress the concept of secession; and since the elections it has been in the first position according to the number of its seats in the first multiparty government. The party's prestige, which has been built on the basis of a national program, and the intellectual elite leading the party, showed its reverse side at the congress. While admitting that they are still a political organization that is looking for its grass roots, the ideologists of the national center have pretensions to finding it in the social structure, which, in the words of the first and new head of the SDZ, Dr. Dimitrije Rupel, looks like a diamond: A top and bottom with few sides but with numerous facets in the middle! It has also been made known to potential members that the SDZ is advocating "real political parties" and are finding points of contact with all existing parties, but that it is against corporative interests which "destroy the real political feeling in the national system."

If one adds to this that the ideological positions of the national program have been put into a "postmodernist paradigm" of the future, which means the pragmatic gathering together of everything that is vital and usable and includes the "new Slovene self-awareness"—and as regards which one of the delegates wittily commented that it reminded him of man as post-ape—then it is also understandable that the ideological leaders were hauled over the coals by the delegate initiatives. Thus, Dr. Rajko Pirnat barely managed to put off for another occasion the vehement debate on the government's influence on the management and policy of the media, and Dr. Rupel—by pointing out that "we are not revanchists"—redirected the demands for war and postwar criminals to be punished and the construction of a mausoleum to the home guard at Kocevski Rog.

These "reconciliatory" remarks by people who are otherwise called "extremists," have their justification in the almost contradictory position in which most of the old and newly-elected leaders of the SDZ find themselves. That is to say, some of them are also assembly delegates (France Bucar, Tone Persak, and Spomenka Hribar) and ministers in the government (Igor Bavcar and Dr. Dimitrije Rupel) or both (Janez Jansa and Dr. Rajko Pirnat). The until-recent oppositionists and current rulers have found themselves in the uncomfortable position whereby they are looking for support for their assembly and government moves "in retrospect" in the mother party, which in all its aspects has the character more of an ideological movement than a distinct party. The extent to which they have succeeded in this is best shown by the fact that all of them endorsed the proposed declaration on Slovenia's full independence which will be submitted for the Slovene Assembly to adopt as early as 2 July.

What remains in the background is the criticism that the procedure for harmonizing views within Demos has of yet not been respected, but that endorsement has been procured from the Demos Deputies Club over a few days, which, considering the absolute majority that Demos has in the Assembly, could now mean that the declaration has "succeeded." We are simply talking about the fact that the same people decided in government only a few days ago to propose to the Slovene Assembly that it participates in the procedure for reaching agreement in the federal Assembly regarding the draft amendments to the SFRY Constitution, while the party congress voted to proclaim sovereignty and the invalidity of all federal laws which are not in line with the legal order of the Republic of Slovenia. Put more simply, it will take part in writing the same constitution that it has proclaimed invalid!?

But not only that. All deputies will find themselves in the same "unity of opposites" on 2 July when they will be discussing both the proposed declaration on sovereignty and the draft amendments to the SFRY Constitution. It can be assumed that the people's deputies will be wiser than the new state officials, but there is no room for the illusion that Slovenia is becoming "more sovereign" than the others. The political sequence of moves from the "SDZ kitchen" is such that the festive proclamation of sovereignty is envisaged first, followed by the formation of "working bodies" which will negotiate with the other representatives of the Yugoslav peoples over a confederal accord.

The SDZ has also had the upper hand this time, but along with its ideology, which could still be criticized while it was in opposition, its moves as the "new authority" are becoming more than problematic. If the congress is an illustration of their postmodernist paradigm, regardless of the rift within the party itself, it perfectly corresponds with the whole "postmodernist era" whose basic premises—which seem to be unfamiliar to democratic intellectuals—are reconstruction and fragmentation. Its consequences will nevertheless be felt first of all by the citizens of Slovenia and then by the whole of Yugoslavia which—if we can express ourselves a little ironically—has already disintegrated without even knowing it. The SDZ intended a postmodernist disintegration for it without having even achieved modernism (in the form of a civil democracy)!

Croatian Assembly's 28 Jun Session Reported

LD2806104790 Belgrade TANJUG Domestic Service in Serbo-Croatian 0904 GMT 28 Jun 90

[Text] Zagreb, 28 Jun (TANJUG)—The five representatives of the Serbian Democratic Party [Srpska Demokratska Stranka—SDS] are taking part in today's session of the Socialist Republic of Croatia Assembly, thus repealing the SDS's decision to suspend its relations with the Croatian Assembly.

In addition to Jovan Opacic, also present are Dusan Ergarac of Donji Lapac, Ratko Licina of Gracac, and Dusan Zelembaba of Knin—all delegates in the Chamber of Municipalities: and Radoslav Tanjga of Knin, delegate in the Chamber of Associated Labor.

Tudjman Advocates New Constitution

LD2806201390 Zagreb Domestic Service in Serbo-Croatian 1300 GMT 28 Jun 90

[Speech by Franjo Tudjman, president of the Croatian LC Presidency, at Croat Assembly session on 28 June —recorded]

[Text] Ladies and gentlemen, deputies of the Croatian Assembly,

On the basis of its constitutional powers, the Presidency of the Soviet Republic of Croatia on 20 June submitted to the Assembly a proposal that some regulations of the Croat Constitution should be changed. Since you received the text of the amendments and the explanation in advance, I believe that it is not necessary to read them here. Furthermore, to render our Assembly work more responsible on the whole and, in my view, more effective, the practice of reading out what (?has happened prior to the session) should be abandoned. Hence, in this speech I intend to briefly outline the main reasons for and the objectives to the proposed changes as an introduction to your work.

The Croatian Constitution in force, adopted in 1974, has already been changed and supplemented four times, which in itself testifies to its one-party source, stereotypical nature, and inappropriatness to social, political, and democratic changes. Out of the adopted changes, those made in February this year are the most significant. They enabled the first democratic, multiparty elections in Croatia after 45 years of one-party monopolism. These elections brought to power this Assembly, and the Croat leadership, for the first time in history, through the manifestation of sovereignty and through a plebiscite, expressed the will of the Croat people and all citizens of Croatia to continue resolutely with the ongoing democratic transformation of the overall social, political, and state life.

In keeping with this, the proposed constitutional changes present a further important and symbolic step toward our final constitutional objective: the drafting of a new democratic constitution of the Croatian republic. Since the adoption of a constitution—the drafting of a proposal, public debate, and its proclamation—requires several months, we judge that it is necessary to adopt the proposed changes immediately. The main significance of the proposed amendments is that through them we confirm our pledge to resolutely develop such a constitutional and political order so that our institutions and norms totally reflect West European and North American constitutional traditions. The proposed constitutional changes have as their goal that, above all, all ideological characteristics and emblems contained in the name and symbols of the republic are abolished. The existing socialist and one-party emblems have become anachronistic characteristics of the political and social systems which have been undergoing, or are undergoing a complete breakdown, not just in Croatia but in other countries too.

In line with generally accepted principles in the democratic world regarding personal responsibility of top state officials, and, in our case, also to highlight the state sovereignty of Croatia, we propose that the post of president of the republican Presidency, which is the pure remnant of the (?Soviet) model, be replaced with the post of republican president, while the Presidency members become vice presidents in charge of spheres entrusted to them. In the same context, the name of the existing Assembly's Executive Council is to be replaced with 'republican government' and 'ministries' as top bodies of state rule.

With regard to cases of abuse on the part of municipal self-managing bodies, the proposed amendments prescribe that the Latin script be officially used in Croatia, thus filling the existing gap regarding this issue. Furthermore, to secure equality, the additional use of the Cyrillic script in certain municipalities is to be regulated by law. Likewise, it is envisaged that law is to regulate how municipalities can be linked into communities.

These changes pave the way for a constitutional and legal development of our republic. In order to realize true multiparty parliamentary democracy, we strive to develop a people's democratic constitution, a constitution of the Croatian Republic as a free and sovereign state. In this new state of ours, the constitution will not just be the supreme law and the basis for a legal system. With its spirit and letter it will provide political and cultural richness for man as an individual and a nation as a whole. With its general principles, the constitution must be a secular bible through which the man on the street lives and understands his basic human rights. However, it must also be the system of power and legal boundaries between what is called society in the narrow sense and what in the sense of public good is called state.

On the road toward that democratic goal, with these amendments we are symbolically leaving behind institutions and characteristics of an ideopolitical state and are adopting the terminology and system of a law-governed state. We are aware that every democracy is reduced in essence to a procedure. We must ensure that no general will—party, class, or revolutionary—or any state reason can be above the law. All changes, even these and future constitutional changes, are implemented and will be implemented through the observance of the fundamental principles of the rule of law; the freedom to criticize, even laws, but also the duty to abide by the law and constitutional system which are being built in accordance with the original will of the people. These constitutional changes must aid our efforts at realizing Croat sovereignty and ensure basic presuppositions so that at the latest by the end of this year we will adopt a new Croatian constitution. Because of the cited reasons, I call on the Croatian Assembly to endorse the justification of the proposed changes to the Constitution in force, and to adopt them in a regular procedure before its summer recess.

Thank you, ladies and gentlemen, deputies of the Croatian Assembly.

Appoints New Officials

LD2806201790 Belgrade TANJUG Domestic Service in Serbo-Croatian 1301 GMT 28 Jun 90

[Text] Zagreb, 28 Jun (TANJUG)—The Croatian Assembly today appointed Dr. Branko Babac its Executive Council member and republican secretary for justice and administration, and Perica Juric deputy republican secretary for internal affairs.

At the same time, the Assembly relieved Dr. Aleksandar Kolka of his duty as Committee for Education deputy president; Rade Muric of his duty as Committee for Information deputy president; and Dr. Zlato Koren of his duty as Committee for Science deputy president. Dr. Rasima Kajic was appointed deputy president of the Committee for Education, Culture, Physical and Technical Culture; Danijel Bucan was appointed deputy president of the Committee for Information; and Dr. Marijan Sunjic was appointed new deputy president of the republican Committee for Science, Technology, and Information.

Following a lengthy discussion they posponed a decision on the appointment of Guste Santini as a member of the Assembly's Executive Council and republican secretary for finance. Regarding his background, especially when he was director general of the Zagreb tobacco factory 11 years ago, Ivan Kolak, Croatian Democratic Community representative, voiced serious objection to Santini's candidacy.

Rejects Federal Laws

LD2806222390 Belgrade TANJUG Domestic Service in Serbo-Croatian 1732 GMT 28 Jun 90

[Text] Zagreb, 28 Jun (TANJUG)—The Assembly of the Socialist Republic of Croatia today ordered its delegation, to the Chamber of Republics and Provinces of the SFRY Assembly, not to consent to four federal laws.

This refers to draft changes to the law on taxation of goods and services, the special federal value-added tax for financing the Yugoslav Peoples' Army, securing monies for the Federal Fund for the quicker development of the underdeveloped areas, and to the proposal for the compulsory merger of those firms within the uniform technological system.

In the course of the day, the Croatian Assembly Chambers have adopted an additional 12 draft legal provisions of federal significance which are now being considered in the SFRY Assembly.

Vojvodina Opposition on Media Rights Transfer

AU2906072690 Belgrade BORBA in Serbo-Croatian 27 Jun 90 p 7

[B. Lazukic report: "Change of 'Authority' Unconstitutional"]

[Text] Novi Sad—Representatives of seven opposition parties within the united Vojvodina opposition were received yesterday in the lobby of the Vojvodina Assembly by its president, Verona Adama-Bokros. On this occasion, they handed her a protest letter in which they point out the unconstitutional and unlawful proposal on taking over some rights and duties of the founder of the media, which should be transfered from the Vojvodina Assembly to its Executive Council.

It was mentioned that the Legislative Commission of the Assembly of the Socialist Autonomous Province of Vojvodina had stated at its session on 21 June that this proposal was at variance with the republican law on public information and recalled the article in this law (which is also applied on the whole of republican territory), which establishes the founder's rights without the possibility of transferring those rights to someone else.

"The submitted proposal is undemocratic because it violates the principle of the freedom of public information and independent journalism and reduces journalists to mere mouthpieces of the party in power. The media would thereby lose the opportunity to put a democratic check on the authorities, as one of its main functions. Considering the importance of this issue for all citizens, we are demanding that representatives of the united opposition be allowed to attend the session of the Vojvodina Assembly at which this issue will be discussed and to present their stands on this," the protest letter says.

The representatives of the united Vojvodina opposition also handed the president of the Vojvodina Assembly a petition which was signed by 1,131 Novi Sad people on Saturday at the initiative of the Democratic Party. The petition demands that the Vojvodina Assembly take over the rights of the founder of the media, as well as complete freedom of the press and the "removal of Bolshevik commissars" from the media.

Banning of Albanians, U.S. Congressman Explained

LD2806203590 Belgrade TANJUG in English 1800 GMT 28 Jun 90

[Text] Belgrade, 28 Jun (TANJUG)—The Yugoslav Foreign Secretariat is of the opinion that passports should be issued to Azem Vlasi and Adem Demaci, two former political prisoners, ethnic Albanians from Kosovo, who have been invited to visit the United States.

This was stated at today's regular news conference by Foreign Secretariat Spokesman Ivo Vajgl. Vajgl emphasized that he spoke solely on behalf of the Foreign Secretariat, adding that the final decision was in the authority of other bodies.

The Federal Secretariat was also not responsible for the decision banning entrance to Yugosalvia to former U.S. congressman Joseph Diogardi, Vajgl said.

Vajgl recalled an earlier foreign secretariat assessment that the recent appearance of Diogardi, the leader of the Albanian lobby in the United States, in the capital of the troubled Yugoslav Kosovo province represented a "serious violation of Yugoslavia's hospitality."

'New Communist Movement of Yugoslavia' Founded

LD2806213190 Belgrade TANJUG in English 1857 GMT 28 Jun 90

[Text] Belgrade, 28 Jun (TANJUG)—The idea of socialism is alive and indestructible but in practice to date it has been essentially betrayed and turned against authentic communists. For this reason we must go back to the sources of Marxism and fight for a society in which no one would lack material and spiritual goods, and struggle for a single and united Yugoslavia.

This was said at a press conference on the occasion of the founding a new communist movement of Yugoslavia, whose founding assembly will be held in Belgrade on June 30. The movement is categorically against the reforms of Yugoslav Prime Minister Ante Markovic, Yugoslavia's entry into the EC and against the restoration of capitalism in the country.

The members of the initiative board of the new movement, which will have all the features of a party, mainly include retired generals, writers, veterans and former political prisoners.

Trade Union Council Opposes New Salary Law

LD2806204290 Belgrade TANJUG in English 1756 GMT 28 Jun 90

[Text] Belgrade, 28 Jun (TANJUG)—The presidency of the Council of Confederation of Independent Trade Unions of Yugoslavia today spoke out against the new law on salaries which would, even in a mild form, retain administrative limitations on the distribution of salaries.

The stand of the recent trade union congress is clear, and there can be no going back on the demands of both the workers and trade union members who are for the abolition of administrative limits on salaries, Council president Momo Colakovic said.

The trade union demands systemic conditions for the signing of collective agreements as soon as possible, it was said at today's session.

The participants in today's session criticized the Federal Government for its unreadiness to "thaw" salaries as of July 1, and begin the signing of collective contracts.

The trade union insists that all questions in connection with salaries and the material and social position of workers in the light of new laws and measures suggested in the Federal Parliament be resolved by September 1. Otherwise, the trade union will take all measures which it has at its disposal under the statute and program, including strikes.

Talks With PRC Stress Economic Cooperation

LD2806200590 Belgrade TANJUG in English 1848 GMT 28 Jun 90

[Text] Beijing, 28 Jun (TANJUG)—Member of the Chinese government and President of the State Planning Commission Zou Jiahua said in talks with Yugoslav Ambassador in Beijing Ilija Djukic today that China was ready to further promote economic cooperation with Yugoslavia.

Zou and Djukic especially pointed to the need of stopping the drop in bilateral trade, present for the third year running. In order to realize this, Yugoslav enterprises and Chinese corporations should speed up the realization of the existing and the signing of new treaties.

The value of Chinese-Yugoslav trade reached a record $275 million in 1987, although the figure was much below the ambitiously planned 400 million.

The value of bilateral trade stood at only $120 million last year, and at only several ten million dollars in the first half of this year according to official reports.

Business 'Communication' With RSA Foreseen

LD2806223190 Belgrade TANJUG in English 2006 GMT 28 Jun 90

[Text] Belgrade, 28 Jun (TANJUG)—The Yugoslav Foreign Secretariat proposed abolishing a 1963 law prohibiting economic, traffic and other relations with South Africa.

This was set out by Yugoslav foreign secretary assistant Milivoje Maksic in the Yugoslav Parliament today, replying to a question posed by a delegate on whether the Yugoslav Government will soon propose the establishment of diplomatic relations with South Africa.

Maksic also said that the Secretariat was preparing a series of facilitating measures for communication between the two countries' businessmen.

Yugoslavia and South Africa never had diplomatic relations. However, a Yugoslav consulate operated in Capetown up until the early 1960s.